

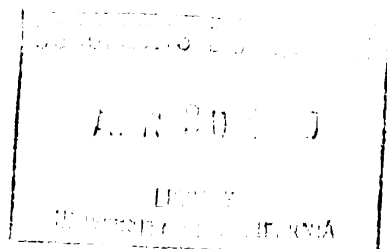
ORGANIZING FOR NATIONAL SECURITY

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS
SECOND SESSION

FEBRUARY 23, 24, AND 25, 1960

PART 1

Printed for the use of the Committee on Government Operations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1960

DOCUMENTS

COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, Jr., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

HOWARD E. HAUGERUD, *Professional Staff Member*

EDMUND E. PENDLETON, Jr., *Minority Counsel*

J60
E9
86th
v.3
DOCUMENTS
DEPT.

CONTENTS

FEBRUARY 23, 1960

	Page
Opening statement, Senator Henry M. Jackson.....	1
Testimony of Robert A. Lovett.....	12
Executive session testimony of Mr. Lovett.....	41

FEBRUARY 24, 1960

Opening statement, Senator Henry M. Jackson.....	47
Testimony of Robert C. Sprague.....	48, 87
Testimony of James P. Baxter III.....	77, 88

FEBRUARY 25, 1960

Opening statement, Senator Henry M. Jackson.....	91
Testimony of Thomas J. Watson, Jr.....	92

APPENDIX

Exhibit I. "The Nature and Feasibility of War and Deterrence," by Herman Kahn, the Rand Corp.....	125
Exhibit II. Report on a Study of Nonmilitary Defense, the Rand Corp.....	175
Exhibit III. "Growth of Debt in a Growing Economy," by Robert D. Calkins, and letter of transmittal from Robert C. Sprague to Senator Henry M. Jackson.....	223
Exhibit IV. Biographies: Messrs. Lovett, Sprague, Baxter, and Watson..	233

III

ORGANIZING FOR NATIONAL SECURITY

TUESDAY, FEBRUARY 23, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Mundt.

Also present: Senators Mansfield and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

First, the Chair would like to express its appreciation to the Senator from Montana for being present this morning. I think it is most appropriate that a ranking member of the Foreign Relations Committee be in attendance today.

This is the first public meeting of the Subcommittee on National Policy Machinery of the Senate Government Operations Committee.

Our subcommittee is charged with a difficult task. We have been asked by the Senate of the United States to determine whether our Government is now properly organized to meet successfully the challenge of the cold war. Put broadly, the question before the subcommittee is this: How can a free society organize to outthink, outplan, and outperform totalitarianism and achieve security in freedom?

Put more specifically, our problem is to decide how those parts of the Federal Government charged with assuring the security of our country can work most effectively together toward that end. Our problem involves the National Security Council and the Presidency; it cuts across the Departments of State and Defense; it goes into the Bureau of the Budget and the Treasury; it is shaped everywhere by the ever-growing impact of science and technology.

These departments and agencies of the Government now spend annually more than \$50 billion. They work through literally thousands of interdepartmental and interagency committees. Daily, in every part of the world, they must make and coordinate hundreds of different decisions profoundly bearing on national security.

Six months of hard work by the subcommittee have preceded this hearing. During these months, we have talked to literally hundreds of authorities in the fields of Government organization and national security. We have been in touch with the best brains in our country. We have put the same two questions to all of them: Where are the gaps and weaknesses in our present way of making and carrying out national security policy? How can we do better?

To launch our public hearings, we have called upon several distinguished Americans who are organizational wise men. We have invited them to address themselves to the overall challenge confronting our Nation today and in the years ahead, as it relates to organizing for national safety and survival.

Senator BUSH, we are very pleased that you could come over as a member of the Armed Services Committee and be with us here this morning.

Senator BUSH. Thank you, Mr. Chairman.

Senator JACKSON. Our initial meetings are, so to speak, stage-setting hearings. They will be followed by several sets of hearings, between now and the adjournment of the Congress, which get down to cases—which will focus upon specific problem areas in existing Government organization for national security, and which will aim at concrete improvements.

Here are some of the down-to-earth questions with which we will grapple during these next few months:

What can our Government do to move more speedily on crucial scientific and technical programs, any one of which can radically affect the world balance of power? Here I have in mind the delays in such vital projects as the hydrogen bomb, satellites, and the intercontinental missiles.

What can we do to help the statesman and the soldier work together for common goals? Here I have in mind the commonly acknowledged problem that the State and Defense Departments often make plans with the left hand not knowing what the right hand is doing.

What can our Government do to develop a truly integrated national strategy for the long pull? Here I have in mind the question of how the National Security Council and its subordinate bodies can develop policies representing more than least-common-denominator compromises between the departments represented upon it.

How can the budgetary process be made a better management tool for clarifying, illuminating, and speeding the development of needed programs? Here I have in mind the widespread feeling that many important programs are stillborn because of the money agencies.

What can our Government do to recruit and retain outstanding senior officials for national security posts? Here I have in mind the chronic difficulties of the Defense Department and other agencies of finding qualified men, and even more important, holding them long enough to master their jobs.

Before calling on our witness today, I should like, with the permission of the other members, to introduce into the record certain materials relating to the origin and activities of our subcommittee.

I would like to insert a copy of my letter to the President dated July 9, 1959, together with the guidelines for this study agreed upon with the White House, and a copy of the President's letter to me, dated July 10, 1959.

I also wish to insert in the record a copy of Senate Resolution 115, the resolution authorizing funds for the subcommittee, which was unanimously adopted by the Senate last July 14. A copy of my statement on the Senate floor, in explanation and support of Senate Resolution 115, will also be included at this point.

Earlier this month, the Senate passed Senate Resolution 248, again without dissent, to provide funds for the subcommittee's

work through January 1961. A copy of that resolution will be placed in the record at this point, together with the report thereon, Senate Report 1060.

In addition, I will place in the record at the beginning of our public hearings a brief summary of subcommittee activities to date.

Finally, I want to include in the record at this point a copy of a letter from the subcommittee chairman, dated February 10, 1960, to Mr. Gordon Gray, the Special Assistant to the President for National Security Affairs, inviting official comment on the matters discussed in our interim report.

I might add that similar letters were addressed to the Secretaries of State and Defense, the Director of the Bureau of the Budget, the President's Science Adviser, and the Director of the Office of Civil and Defense Mobilization.

(The documents referred to follow:)

EXCHANGE OF LETTERS BETWEEN PRESIDENT EISENHOWER AND
SENATOR JACKSON CONCERNING THE STUDY OF NATIONAL
POLICY MACHINERY, SENATE RESOLUTION 115

U.S. SENATE,
COMMITTEE ON GOVERNMENT OPERATIONS,
July 9, 1959.

THE PRESIDENT,
White House, Washington, D.C.

MY DEAR MR. PRESIDENT: Since your letter of June 25, 1959, to Senator Johnson concerning the study outlined in S. Res. 115, I have had a number of discussions with your Deputy Assistant Bryce N. Harlow, in which we worked out certain guidelines for the study. I have agreed to these guidelines, a copy of which is attached to this letter, and I understand they also have your concurrence.

This letter is simply for the purpose of confirming this understanding with you. I greatly appreciate the cooperative point of view expressed in the course of my discussions with Mr. Harlow. I want to assure you of my determination that the study will be conducted in the same cooperative spirit, so as to achieve constructive results in the national interest.

Sincerely yours,

HENRY M. JACKSON.

PROPOSED GUIDELINES

1. The proposed inquiry, insofar as it relates to the National Security Council, will be a study, not an investigation. It will not attempt, by legislation or otherwise, to infringe upon the constitutional privilege of the President to obtain advice through such organization and procedures as he deems appropriate.

2. Testimony will not be taken from executive branch personnel in respect to the substantive consideration of matters by the National Security Council or its subordinate machinery. Personnel of the operating departments of Government will testify in respect to their own policies or activities but without reference to substantive consideration of such matters by the National Security Council or its subordinate machinery.

3. Study of the National Security Council and its subordinate machinery will be directed to matters involving purposes, composition, organization, and procedures. Executive branch officials will be authorized to make full disclosure as to such matters subject to appropriate security safeguards in case of classified projects.

4. Any testimony by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session. Decisions as to the taking of subsequent public testimony by such officials with respect to such matters and as to the subsequent publication of their testimony or parts thereof taken in executive session will be governed by security considerations as agreed in each instance between the subcommittee and a representative designated by the President; and any references to the National Security Council or its subordinate machinery with respect to any matter not

covered in paragraph 3 above will not be publicly released except as agreed in each instance between the subcommittee and the representative designated by the President. The Presidential representative will be authorized to attend all hearings of the subcommittee relating to the National Security Council or its subordinate machinery and will be provided a transcript of the testimony taken in executive session as a basis for reaching the decisions referred to above.

THE WHITE HOUSE,
Washington, July 10, 1959.

HON. HENRY M. JACKSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: Your July 9 letter and its enclosed "guidelines" respecting the study proposed by Senate Resolution 115 relieve the most serious of the concerns outlined in my June 25 letter to Senator Johnson.

The bounds contemplated by the "guidelines" seem to me to be generally satisfactory, it being my understanding that insofar as the National Security Council is concerned your study is directed to procedures and machinery and not to substance. Within those bounds my staff, including personnel of the National Security Council organization, will, I assure you, work cooperatively with your subcommittee in an effort to help make this study of value not only to the legislative branch but to the executive branch as well.

With best wishes.

Sincerely,

DWIGHT D. EISENHOWER.

[S. Res. 115, 86th Cong., 1st sess.]

RESOLUTION

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized, from the date of approval of this resolution through January 31, 1960, to make studies as to the efficiency and economy of operations of all branches of the Government with particular reference to—

(1) the effectiveness of the present organizational structures and operational methods of agencies and instrumentalities of the Federal Government at all levels in the formulation, coordination, and execution of an integrated national policy for the solution of the problems of survival with which the free world is confronted in the contest with world communism;

(2) the capacity of such structures and methods to utilize with maximum effectiveness the skills, talents, and resources of the Nation in the solution of those problems; and

(3) development of whatever legislative and other proposals or means may be required whereby such structures and methods can be reorganized or otherwise improved to be more effective in formulating, coordinating, and executing an integrated national policy, and to make more effective use of the sustained, creative thinking of our ablest citizens for the solution of the full range of problems facing the free world in the contest with world communism.

SEC. 2. For the purposes of this resolution the committee, from date of approval of this resolution to January 31, 1960, inclusive, is authorized—

(1) to make such expenditures as it deems advisable;

(2) to employ upon a temporary basis and fix the compensation of technical, clerical, and other assistants and consultants: *Provided*, That the minority of the committee is authorized at its discretion to select one such person for appointment, and the person so selected shall be appointed and shall receive compensation at an annual gross rate not less by more than \$1,200 than the highest gross rate paid to any other employee; and

(3) with the prior consent of the head of the department or agency concerned, and the Committee on Rules and Administration, to utilize on a reimbursable basis the services, information, facilities, and personnel of any department or agency of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed \$60,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

STATEMENT BY SENATOR HENRY M. JACKSON ON SENATE RESOLUTION 115
(STUDY OF THE EFFECTIVENESS OF GOVERNMENTAL ORGANIZATION AND
PROCEDURE IN THE CONTEST WITH WORLD COMMUNISM) ON THE FLOOR OF
THE SENATE JULY 14, 1959

Mr. President, the Committee on Rules and Administration has reported favorably on Senate Resolution 115, and recommended that the resolution be agreed to by the Senate. That resolution would authorize the expenditure of not to exceed \$60,000 by the Committee on Government Operations, through January 31, 1960, to make a study of the effectiveness of the organization and procedures by which national policy is formed for the contest with world communism.

Mr. President, I believe this study will lay the foundation for constructive action by the Senate to improve our machinery for national policymaking and execution.

I have had a number of discussions with the White House staff in which we worked out an agreed basis for handling the study. The President has concurred in these arrangements. In our discussions the executive branch expressed a most cooperative point of view, and I have assured the President of my determination that the study will be conducted in the same cooperative spirit, so as to achieve positive results in the national interest.

Our Nation now confronts its most serious challenge since the founding of the Republic. That challenge lies in the relentlessly growing overall strength of world communism. The challenge goes across the board. It is military, industrial, scientific, political, ideological, cultural, and diplomatic. The Communist goal is plain—world supremacy for their way of life. It is all too clear how Moscow and Peiping plan to reach that goal. They do not merely plan to outstrip us militarily. They are determined to show that their system is superior to ours in every way—that it can outproduce, outplan, outorganize, and outthink us, all to the end of imposing a Communist order on the world.

This is the strategy of protracted conflict—the technique whereby weaker powers, in time, gain the strength to overcome stronger ones.

The belief is now widely shared that our free society is not effectively dealing with the Sino-Soviet challenge, and that defects in national policymaking and execution are an important cause of our difficulty.

The study provided for in Senate Resolution 115 is directed to this fundamental issue: Can a free society so organize its human and material resources as to outthink, outplan and outperform totalitarianism? Can a free society so organize itself as to recognize new problems in the world and in space—and respond, in time, with new ideas?

This, of course, is not a partisan matter. Democracy is on trial for its life. Neither party has a monopoly of wisdom or a monopoly of error on this vital matter. Our study will deal with what is a national problem—a national challenge.

The National Security Council was created by act of Congress in 1947, with two main purposes: First, to assess and appraise the objectives, commitments and risks of American foreign policy in light of the Nation's actual and potential military power. Second, to advise the President on the integration of domestic, foreign and military policies relating to national security and on the coordination of the agencies concerned. The Congress has never carefully studied the procedures and processes of the NSC to find out whether these purposes are in fact being achieved. It is time to study this machinery in the light of our experience during the last 12 years of crisis.

The Senate has pending before it a number of bills proposing changes in our national policymaking machinery. It seems necessary and desirable to put these proposals in the proper perspective and not to proceed to create new agencies or to change procedures and processes except as a careful study of our national policy machinery indicates that changes are desirable.

The general questions that will be considered run like this:

1. What is the present structure for formulating, coordinating, and implementing national policy?
2. What is it supposed to accomplish?
3. Is it doing it?
4. In what areas are there grave shortcomings?
5. Why is this the case?
6. What improvements should be made?

As indicated in Senate Resolution 115, if the study reveals ways in which national policymaking machinery could be strengthened and improved, the study will lead to legislation and other proposals.

The study will cover the structural interrelationships of all Federal agencies concerned in forming an integrated national strategy. Thus the study will deal with a broad area not now under inquiry by any congressional committee.

This study was unanimously voted by the Government Operations Committee. Senator McClellan appointed the following Subcommittee on National Policy to conduct the study: Senator Jackson, chairman; Senator Humphrey, and Senator Mundt.

The study will be nonpartisan, and will be conducted in a scholarly way. We are all interested, not in destructive criticism but in constructive reform.

The study will concern itself with the structures and procedures by which national policy is formed.

The study is being made by the Government Operations Committee in accordance with the jurisdiction under Rule XXV of the Standing Rules of the Senate, providing that the committee shall have the duty of—

“B. Studying the operation of Government activities at all levels with a view to determining its economy and efficiency;

“C. Evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government.”

Mr. President, I commend to my colleagues the report of the Committee on Rules and Administration on Senate Resolution 115. I am confident that our study is capable of making a genuine contribution to the advancement of the national interest. It can be of constructive help to the executive branch in finding better ways to organize our Government for survival in this dangerous age.

Mr. President, I recommend the adoption of Senate Resolution 115.

[S. Res. 248, 86th Cong., 2d sess.]

RESOLUTION

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized, from February 1, 1960 to January 31, 1961, inclusive, to make studies as to the efficiency and economy of operations of all branches of the Government with particular reference to—

(1) the effectiveness of the present organizational structures and operational methods of agencies and instrumentalities of the Federal Government at all levels in the formulation, coordination, and execution of an integrated national policy for the solution of the problems of survival with which the free world is confronted in the contest with world communism;

(2) the capacity of such structures and methods to utilize with maximum effectiveness the skills, talents, and resources of the Nation in the solution of those problems; and

(3) development of whatever legislative and other proposals or means may be required whereby such structures and methods can be reorganized or otherwise improved to be more effective in formulating, coordinating, and executing an integrated national policy, and to make more effective use of the sustained, creative thinking of our ablest citizens for the solution of the full range of problems facing the free world in the contest with world communism.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1960, to January 31, 1961, inclusive, is authorized—

(1) to make such expenditures as it deems advisable;

(2) to employ upon a temporary basis and fix the compensation of technical, clerical, and other assistants and consultants: *Provided*, That the minority of the committee is authorized at its discretion to select one such person for appointment, and the person so selected shall be appointed and shall receive compensation at an annual gross rate not less by more than \$1,200 than the highest gross rate paid to any other employee; and

(3) with the prior consent of the head of the department or agency concerned, and the Committee on Rules and Administration, to utilize on a reimbursable basis the services, information, facilities, and personnel of any department or agency of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed \$125,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Calendar No. 1082**86TH CONGRESS }
2d Session }****SENATE****{ REPORT
No. 1060 }****STUDY OF THE EFFECTIVENESS OF GOVERNMENTAL
ORGANIZATION AND PROCEDURE IN THE CONTEST
WITH WORLD COMMUNISM**

JANUARY 29 (legislative day, **JANUARY 27**), 1960.—Ordered to be printed

Mr. HENNINGS, from the Committee on Rules and Administration,
submitted the following

R E P O R T

[To accompany S. Res. 248]

The Committee on Rules and Administration, to whom was referred the resolution (S. Res. 248) authorizing the Committee on Government Operations to make a study of the effectiveness of governmental organizations and procedure in the contest with world communism, and providing additional funds therefor, having considered the same, report favorably thereon without amendment and recommend that the resolution be agreed to by the Senate.

This resolution would authorize the expenditure of not to exceed \$125,000 by the Committee on Government Operations from February 1, 1960, through January 31, 1961, to make studies as to the efficiency and economy of operations of all branches of the Government with particular reference to—

(1) The effectiveness of the present organizational structures and operational methods of agencies and instrumentalities of the Federal Government at all levels in the formulation, coordination, and execution of an integrated national policy for the solution of the problems of survival with which the free world is confronted in the contest with world communism;

(2) The capacity of such structures and methods to utilize with maximum effectiveness the skills, talents, and resources of the Nation in the solution of those problems; and

(3) Development of whatever legislative and other proposals or means may be required whereby such structures and methods can be reorganized or otherwise improved to be more effective in formulating, coordinating, and executing an integrated national

policy, and to make more effective use of the sustained, creative thinking of our ablest citizens for the solution of the full range of problems facing the free world in the contest with world communism.

Additional information relative to the purposes and scope of the proposed study is contained in a letter authorized by the Committee on Government Operations, to Senator Thomas C. Hennings, Jr., chairman, Committee on Rules and Administration, from Senator Henry M. Jackson, chairman, Subcommittee on National Policy Machinery of the Committee on Government Operations, which letter and accompanying budget are as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENT OPERATIONS,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
Washington, D.C.

HON. THOMAS C. HENNINGS, JR.,
Chairman, Committee on Rules and Administration,
U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Reference is made to Senate Resolution 248, 86th Congress, 2d session, which was introduced in the Senate on January 18, 1960, requesting funds for studies as to the effectiveness of present governmental organization and procedures for the development and execution of national policy for survival in the contest with world communism. The requested funds would cover the period from February 1, 1960, through January 31, 1961. Prior to submitting this resolution to the Senate, it was reported favorably by the Committee on Government Operations.

Attached hereto is an estimated budget for the period. It is estimated under this budget that it will require \$125,000 to carry on the study during the present year.

As you know, the Subcommittee on National Policy Machinery is now making the first comprehensive review of our national security policymaking process undertaken since the passage of the National Security Act of 1947.

The subcommittee, which began its inquiry 6 months ago, decided that it would devote the initial period of its activities to a thorough and meticulous analysis of the problems in its study, toward the end of laying a firm groundwork for hearings. Our philosophy, in view of the complexity and importance of the issues involved, has been to proceed throughout with caution and care.

To date, we have held more than 300 discussions with present and former Government officials, and students of the national security policy process. These interviews have ranged from talks with Cabinet officers of this and previous administrations to discussions with "Indians" in the middle and lower echelons of the Government. In addition, some 300 detailed written inquiries have been sent to carefully selected authorities possessing special competence and experience on particular subjects being studied by the subcommittee.

The interviews held and replies received to date have resulted in a large number of stimulating and useful suggestions.

An interim report summarizing the leading ideas developed so far and defining issues to be explored in hearings has been issued by the

subcommittee. This report (S. Rept. 1026) was approved by the Committee on Government Operations earlier this week, and a copy is attached.

A number of ranking authorities are serving as subcommittee consultants, and more will be used as the inquiry proceeds.

The staff has been requested to prepare a number of background studies in cooperation with the Legislative Reference Service and the executive branch. Two of these, a bibliography and a study of national policy machinery in Communist China, have already been published.

I am pleased to report that of the \$60,000 authorized for the subcommittee for the 6-month period ending January 31, 1960, we expect to return approximately \$25,000 to the Senate contingent fund. This saving mainly reflects these facts: The minority counsel, at his request, has not yet been placed on the payroll; we were able to obtain the services of our chief consultant on a part-time basis; and it proved possible to operate the subcommittee during this first stage with only one secretary.

During the coming period of accelerated activity, including hearings, we shall need to budget for the minority counsel, one new clerical employee, an editorial assistant, and for additional use of consultants.

Beginning next month, we plan to hold a comprehensive set of hearings which will continue through the present session, and which will focus upon the problem areas set forth in the interim subcommittee report. These hearings will bring the best minds of our country to bear upon the key issues of organizing for national security.

We expect that a series of specific recommendations relating to national security organization problems will emerge from our studies and hearings.

You will recall that President Eisenhower has pledged his cooperation with our study. Our staff is working fruitfully and productively with officials throughout the departments and agencies, and I am most grateful for the wholehearted cooperation of the executive branch.

I need hardly add that my colleagues and I are of one mind in our determination to approach the problems before us in an objective, nonpartisan and constructive way.

The study is being made by the Government Operations Committee in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, providing that the committee shall have the duty of—

* * * * *

“B. Studying the operation of government activities at all levels with a view to determining its economy and efficiency;

“C. Evaluating the effects of laws enacted to reorganize the legislative branches of the Government * * *.”

I shall be available to give the committee any further information desired.

Thanking you for your cooperation and with kind regards, I am,
Sincerely yours,

HENRY M. JACKSON,
Chairman, Subcommittee on National Policy Machinery.

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative:					
Staff director.....	1	\$8,040	\$15,044.83	\$1,253.73	\$15,044.83
Counsel (minority).....	1	8,040	15,044.83	1,253.73	15,044.83
Consultants (temporary, as required, on a consultants' fee basis).....	(15-20)				10,000.00
Editorial and research:					
Research assistant.....	1	3,120	6,534.19	544.51	6,534.19
Staff members.....	4	22,140	43,649.78	3,637.46	43,649.78
Administrative and clerical:					
Assistant clerk (secretary to director).....	1	3,360	6,986.34	582.19	6,986.34
Stenographer.....	1	2,340	5,064.68	422.05	5,064.68
Total.....					102,324.65
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382, effective July 1, 1960).....					250.00
Contribution to civil service retirement fund (6½ percent of total salaries paid).....					2,250.00
Contribution to employees Federal employees group life insurance (27 cents per month per \$1,000 coverage).....					300.00
Reimbursable payments to agencies.....					4,500.00
Travel (inclusive of field investigations).....					4,500.00
Hearings (inclusive of reporters' fees).....					6,500.00
Stationery, office supplies.....					1,500.00
Communications (telephone, telegraph).....					1,200.00
Contingent fund.....					1,675.35
Total.....					22,675.35
Grand total.....					125,000.00

Fund requested, S. Res. 248, \$125,000.

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

SUMMARY OF ACTIVITIES, JULY 1959-FEBRUARY 1960

The Subcommittee on National Policy Machinery was established in July 1959 to make the first full-scale review of the national security policy process since the discussion and debate preceding passage of the National Security Act of 1947.

The subcommittee commenced hearings on February 17, 1960, with testimony from Allen W. Dulles, Director of Central Intelligence, in executive session.

In the 7 months prior to its first hearing, the subcommittee's study concentrated on identifying problem areas requiring possible remedial action and on defining and developing lines of constructive and practical reform. The subcommittee's interim report, filed in the Senate on January 18, 1960 (S. Rept. 1026) represents a distillation of the main issues and proposals before the subcommittee.

To provide a basis for its interim report and hearings, the subcommittee has held several hundred interviews with present and former Government officials and students of national policymaking. These interviews have ranged from discussions with Cabinet officers of this and previous administrations to talks with "Indians" in the middle and lower echelons of the Government. In addition, the views of a large group of authorities have been solicited in writing.

In October 1959, the subcommittee staff prepared a background memorandum identifying certain broad problem areas as meriting systematic study. A number of qualified officials and observers were invited to comment upon the problems outlined.

Thereafter, a series of more detailed questionnaires, each dealing with a particular phase of the subcommittee's inquiry, was prepared. These specific memorandums were sent to carefully selected authorities possessing special competence and experience in the fields involved.

In addition, the interim report was published in draft form in December 1959 and widely circulated for comments and ideas.

The interviews held and correspondence received to date have resulted in a large number of stimulating and useful suggestions.

The subcommittee has also profited greatly from two conferences of unusual interest. In September 1959, in connection with the annual meeting of the American Political Science Association, the subcommittee had the privilege of sponsoring a seminar on its study which was attended by some of the country's most distinguished students of the national security policy process. In November 1959, the Council on Foreign Relations was generous enough to make the subcommittee's project the subject of one of its study seminars. Many fruitful ideas emerged from both meetings.

Some dozen ranking authorities in various phases of the study have been invited to become subcommittee consultants. This roster of consultants will be enlarged as the inquiry proceeds.

In addition to its interim report, the subcommittee has issued three publications. At the subcommittee's request, the Legislative Reference Service, Library of Congress, prepared a bibliography dealing with the national security policymaking process.

Shortly after its creation, the subcommittee undertook to determine how certain other countries, including nations of the Communist bloc, organize their governments for the making of national policy. Its staff, in cooperation with the executive branch, was requested to prepare appropriate studies. In January 1960, the subcommittee published two of these studies. Since their appearance, "National Policy Machinery in Communist China" and "National Policy Machinery in the Soviet Union" have been widely distributed throughout the country.

FEBRUARY 10, 1960.

HON. GORDON GRAY,
Special Assistant to the President for National Security Affairs, Executive Offices Building, Washington, D.C.

DEAR MR. GRAY: I want to take this opportunity to express my thanks for the cooperation of your office with the work of the Subcommittee on National Policy Machinery. Since the establishment of the subcommittee last July, our staff has held many fruitful discussions with you and your associates.

We anticipate formal hearings during the next few months following the general lines of our subcommittee interim report, which is enclosed.

While we have received many informal comments from you and your associates, we would now welcome any suggestions or comments which you wish to advance officially, in connection with any of the issues covered in our interim report.

I am confident that our study will result in constructive suggestions and steps which could be of genuine help to the executive branch, and I look forward to our continued cooperation in the course of our inquiry.

Sincerely yours,

HENRY M. JACKSON,
Chairman, Subcommittee on National Policy Machinery.

Senator JACKSON. As the members know, we have agreed with the President that testimony—

by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session.

We have notified our witnesses accordingly.

We are deeply privileged to have with us today, as our first public witness, the Honorable Robert A. Lovett. Perhaps more than any other living American he is "Mr. National Security." His record of national service goes back for 40 years, when as a naval aviation pilot in World War I he won the Navy Cross, the highest decoration one can receive short of the Medal of Honor.

In 1940 he again answered the call of public duty. As Assistant Secretary of War for Air, he, more than any other person, was responsible for the production and organizational miracle which made the Army Air Corps into the most formidable striking force in world history.

His postwar service has included duty as the Under Secretary of State and as Deputy Secretary and Secretary of Defense, and continuing service in advisory roles thereafter. I believe at the present time he is serving in an advisory capacity in connection with our intelligence organization. In addition, Mr. Lovett is a partner in Brown Brothers, Harriman, and chairman of the finance committee, I believe, and chief executive officer of the Union Pacific Railroad.

Mr. Lovett, therefore, speaks to us today with the authority of one who has devoted almost a lifetime of service to his country. I might also add that Mr. Lovett represents the kind of ideal public servant in the area of national security that we need today more than ever before.

He has given the greater part of his life to aid the cause of national defense, under difficult circumstances, coming as he does from business. It is a real honor and privilege to have Mr. Lovett with us this morning.

We will welcome your statement, Mr. Lovett.

STATEMENT OF ROBERT A. LOVETT, PARTNER, BROWN BROTHERS, HARRIMAN & CO., CHAIRMAN, EXECUTIVE COMMITTEE, UNION PACIFIC RAILROAD CO.

Mr. LOVETT. Mr. Chairman, I warmly appreciate your welcome and greet you and the members of the committee.

Your committee has invited me to appear before it and to state, first, "my estimate of the broad challenge confronting the United States today and in the years ahead"; and second, "to select the areas which, in my opinion, have special significance to national security or survival," with particular emphasis on the existing machinery, its adequacy, and its problems in making effective our foreign policy, and defense planning and operations.

A series of searching questions in your interim report were sent me covering a very wide range of subjects within the terms of the Senate resolution authorizing your study.

Many of these questions lie in areas of government outside my experience. Therefore, if it meets with your approval, I should like at the outset to limit my comments to an attempt to identify a principal cause for the delays and difficulties in the operation of policymaking machinery in our democracy; and, thereafter, to narrow my comments to the more specific questions dealing with the fields of Government operations in which I served some years ago—the Department of State and the Department of Defense.

These comments are based for the most part on notes made some 8 years ago—in connection with a report submitted in November 1952—and not then used because of their emphasis on procedures. Reflections on these subjects and brief periods of association with them during the subsequent years have not materially changed my opinion as to the desirability of having a hard look at some of the points raised for discussion. It should, therefore, be clear that none of these observations is intended to be critical of any individuals or of operational decisions.

BACKGROUND CONDITIONS

The operation of our governmental machinery today is complicated by a number of factors which we must not only comprehend but to which we must also readjust. We see in the world today a rate and variety of change which in our history has never been equaled. We not only have to face the challenge of bold, new scientific and technological advances, but also to adjust to changing conditions created by the emergence of new and independent countries and a growing sense of nationalism in many parts of the world.

This would be difficult if Government machinery were perfect and decisions on policy could be promptly translated into action. But our problem is magnified manyfold by the fact that our system of government and our way of life have come under direct and deadly challenge by an implacable, crafty and, of late, openly contemptuous enemy of both.

We need not waste much time in attempting to prove this point. If the public statement "we will bury you" does not carry the message to us, then words have lost their meaning. Attempts to explain away this blunt warning of intention by calling it jovial, or by saying that it really does not mean a big military funeral, but just a little economic one, is a form of jocularly too close to the jugular to lighten my heart.

If we are not prepared after that statement, and the evidence of the past several years, to admit that we are in a struggle for survival involving military power, economic productivity, and influence on the minds of men in political, scientific, and moral fields, then we have truly succumbed to the hard sell of the soft attitude.

For whether we like it or not, we are in the early stages of a ruthless and lengthy period of competition between our system of free men governed by their consent, in a society of reasonably free enterprise, and the communistic system with the so-called advantages derived by a dictatorship endowed with coldblooded patience, continuity of determined effort, and openly declared singleness of purpose directed toward world domination.

As one observes the new and heightened tensions of the world today and adds them to the longstanding and unsolved problems we have been trying to settle for many years, it is not surprising to hear occasional doubts expressed about the inability of our governmental procedures to meet today's needs, magnified by the enormous compression of time and space, and the consequent requirement of prompt decisions leading to prompt action.

EXECUTIVE DEPARTMENT OVERLAP AND THE CLASH OF GROUP INTERESTS

One of the questions most frequently asked, either profanely or with a sad whimper, is "Why does it take the Government so long to make up its mind?" or, in the more restrained language of this committee's questionnaire, "Can anything be done to speed up our Government policymaking machinery?"

In the search for an answer, I should like to explore briefly—and solely within the executive branch itself—a field responsible, I believe,

for many of the procedures and methods of policymaking which cause bewilderment, seem redundant and have, occasionally, even less attractive characteristics.

I do so because, if a fairly accurate identification can be made of one of the basic problems affecting Government machinery and causing certain parts of it to malfunction, perhaps some corrective measures can be taken by the executive branch within its existing powers or with the help of the Congress.

I am not suggesting that a major cure in policymaking delay is in sight or that any real progress will come from something as appealing as "simplifying" or "streamlining." It is wholly unrealistic to talk of making government simple. We can aspire to make it manageable and effective, but its characteristics make simplicity of machinery impossible.

This is the result of its vast size, of its complexity, of its multitude of activities, and particularly of the wide divergence of interests it represents and the different needs of the various groups of citizens which it must reconcile.

It is this last mentioned requirement, I think, that we must focus on if we are to recognize one of the main reasons for the great amount of time consumed in the making and execution of national policy. The often forgotten fact is that our form of government, and its machinery, has had built into it a series of clashes of group needs. They appear to have been originally designed to protect the individual citizen and to keep any one group or department of Government from getting too dominant.

This device of inviting argument between conflicting interests—which we can call the "foulup factor" in our equation of performance—was obviously the result of a deliberate decision to give up the doubtful efficiency of a dictatorship in return for a method of protection of individual freedom, rights, privileges, and immunities.

When Government was small, the "foulup" system must have worked very well; when Government became large, it probably worked fairly well. But Government has now become gigantic at the very moment in history when time itself is not merely a measure, or a dimension, but perhaps the difference between life and death.

The Federal Government is by far the largest and most complicated operation in this country. This huge organization would be hard enough to run if authority were given where responsibility was placed. Yet, that frequently is not the case.

The constitutional principle of the separation of powers certainly sounds as though the intent was neatly to assign certain authorities and responsibilities to separate branches of Government charged with executive, legislative, and judicial functions of Government. But then the necessity of putting limits on power had to be met and it is at this point that we run headfirst into the system of "checks and balances" as it applies to the executive departments.

We are interested here only in those overlaps occurring between departments, agencies, et cetera, within the executive branch. This is really a method of requiring power to be shared—even though responsibility may not be—and of introducing rival claimants from another department with a different mission into the policymaking or decision-taking process.

This is the "foulup factor" in our methods, and it needs some careful examination because there is, I think, a discernible and constantly increasing tendency to try to expand the intent of the system to the point where mere curiosity on the part of someone or some agency, and not a "need to know" can be used as a ticket of admission to the merry-go-round of "concurrences." This doctrine, unless carefully and boldly policed, can become so fertile a spawner of committees as to blanket the whole executive branch with an embalmed atmosphere.

Whether or not this itch to get in the act is a form of status seeking, the idea seems to have got around that just because some decision may affect your activities, you automatically have a right to take part in making it. In consequence, the general area of executive department checks and balances is the source of a broad stream of procedural complications that consume vast amounts of time and energy. It would be well to look into it, I believe, because there is some reason to feel that the doctrine may be getting out of hand and that what was designed to act as a policeman may, in fact, become a jailor.

DEPARTMENT OF DEFENSE

May I now turn from the point just discussed as part of the general subject of "problem areas requiring possible remedial action" and try to respond to the questions asked in relation to the narrower limits of the Department of Defense and the Department of State.

As I understand them, the questions here asked fall into two rough categories:

(1) Does the Government machinery, as presently provided, give us adequate means for determining national security policy; and

(2) Can you identify "problem areas" and suggest "any constructive and practical reform?"

Taking the Department of Defense first—since it is freshest in my mind—I believe that adequate policymaking machinery in its special field is currently available; that proven operations machinery is in being; that it has, furthermore, the essential military attribute of close relationship between planning and operational responsibility; that it enjoys through the military services a fair amount of stability and continuity—though still inadequate, in my opinion—and that it can be staffed by specially trained personnel, giving whatever balance or mix is desired between military, civilian, scientific, and professional skills.

While I have not seen, at first hand, the effects of the reorganization of 1958, I doubt whether anything in it materially reduced the availability of competent and specially trained military officers with which the Department has fortunately been endowed for some years.

But while we talk about policy as if it were the end product of a machine, we are, of course, really speaking about people in the military department and, fortunately for us, very good people, with a high percentage of them uniquely dedicated and skilled in their professions. These men are custodians of a great tradition of duty and honor that entitles them to our respect and to our understanding of the pride they must develop in their demanding service. They respond to a wide variety of stimuli, just as the rest of us do, and they function

best under certain working conditions and in an orderly, disciplined atmosphere.

The military portion of the national policymaking machinery will, I believe, function with least difficulties and with the highest quality of output under certain conditions which are conducive to its best performance. These include the following:

(A) The Department of Defense and its military establishments should be nonpolitical and nonpartisan: The great tradition that the military services are nonpolitical should, I am convinced, apply equally to the civilian heads of these departments. If this principle were not more persuasive on other grounds, the practical consideration of representing the needs of the Nation as a whole before Congress, and the nonpolitical operation of the draft law, ought to make the desirability of nonpartisanship in the military structure abundantly apparent. The only thing more dangerous than an external enemy is a group of home-grown military sycophants.

(B) Military policy and strategic planning require a prior step—the determination of a national political policy: The military professionals should be contributors to and not makers of national political policies. They are trained to carry out such policy, not to originate it. They clearly cannot do their planning job until a higher level fixes national goals.

(C) The number of committees in the Department of Defense and the military departments is still far too great. There is excessive staff layering:

The constant increase in the number of committees—other than those statutorily created—has reached a point where they are no longer mere nuisances, but have become positive menaces to the prompt and orderly conduct of business.

Some committees obviously are necessary—for example, certain interdepartmental ones—but I think it is fair to say that Dr. Parkinson's first law finds its best examples in this field. Committees reviewing other committees, or overlapping them, are one of the most productive sources of vacillating administration and wavering policies.

Of some importance also is the fact that the number of committees adds materially to the difficulty of protecting highly sensitive material and makes increasingly likely those leaks which are dangerous to the national security.

Excessive staff layering results, I think, in overstaffing in certain areas of the military departments and contributes much to delay and little to vigorous and imaginative planning. The visible results lie in unnecessary costs and in the number of initials on a paper. At some point their quantity must inevitably reduce quality and increase porosity.

(D) The authority of the individual executive must be restored: The derogation of the authority of the individual in government, and the exaltation of the anonymous mass, has resulted in a noticeable lack of decisiveness. Committees cannot effectively replace the decisionmaking power of the individual who takes the oath of office; nor can committees provide the essential qualities of leadership.

Some, occasionally, serve those in authority as a device to postpone or avoid making decisions themselves; others sometimes seem to spring into being because higher authority does not fully trust the judgment

of the subordinate executive. But two heads are not always better than one, particularly if they are growing on the same body.

(E) Civilian and military executives alike should stick to the fields in which they have special training and aptitudes: If they do, the chance of making the machinery work well is excellent. One of the few humans as exasperating as a civilian businessman who suddenly becomes an expert on military strategy and tactics is the military adviser who magically becomes an expert in some highly sophisticated production problem in which he has no background of experience.

(F) Turnover of key civilian executive personnel: Everyone is aware of this much discussed problem of Government. In the Department of Defense it has a special importance largely because continuity of planning and operations is of vital concern. It takes a long time for an able man, without previous military service of some importance and experience in government, to catch up with his job in this increasingly complex department. At a guess, I would say he could pay good dividends to the Government in about two years. Meanwhile, of course, he is becoming a more valuable asset each day. To lose him before, or just as he becomes productive is manifestly a serious waste of the effort that went into his training.

How to hold him is a problem to which I do not know the answer. But I have a feeling that, in many cases, the cause of his leaving lies in the conditions surrounding his entry into Government and his terms of employment in the first instance. Reasons most commonly ascribed to the problem of hiring good men usually center about the so-called "conflict of interest" laws and their effect on the man who has built up, over a period of years, a right to a pension or other incentive benefits made important to him by some of the more grotesque provisions of our tax laws. Frequently, a sharp reduction in standard of living is another part of the problem.

But I think the order of magnitude of these difficulties can be reduced if we want to do it; and that sensible, even if only partial, answers can be found by applying realistic rules of reason through legislation which might take into account modern business' capital structure and its operation under present day regulations.

(G) "Split papers" from the Joint Chiefs of Staff should not be regarded as inherently objectionable: Naturally, they need not be welcomed. But it is vitally important to a Secretary of Defense, as one of the advisers to the President, with a special responsibility, to know what the alternatives are to a course of action, or what serious obstacles to a proposed program are foreseen by a responsible Chief of Staff, so that, in reaching a decision, he will be possessed of all the facts available.

(H) Need for constant, close, and sympathetic cooperation with the Department of State: National political policy includes foreign policy and defense policy—among others—and simply cannot be fragmented. It should, of course, be integrated. Military power is today so intertwined with our national foreign policy that the Department of State must be a full partner—and, above all, a welcome one—in all major decisions of planning and policy. While lateral liaison should be insisted upon and must take place at the lower levels that work on planning and policy papers at the first stages, the tone of the cooperation must be set by the two Secretaries.

DEPARTMENT OF STATE

Now we come to the Department of State. Because policymaking has historically been its main function, it is more difficult to isolate those elements of its machinery which have special importance to national security or which serve to complicate it.

This Department, furthermore, has a unique position in the executive branch because it draws its powers in part from those directly delegated to it by the President from his constitutional responsibilities for foreign affairs and in part from statutory sources.

The Secretary of State is the President's principal adviser on foreign policy and his agent when the President chooses to have him so act. He is the ranking Cabinet officer and heads a department which has been going through a period of violent transition in the last 20 years. Today he must operate as an adviser and an executive in a world which carries an open threat to our national security and one in which the easily distinguishable boundaries of the past, between domestic and foreign policies, have disappeared. And still the end of such complications is not in sight.

The Secretary has, therefore, to rely less on the broad powers of his Department and more on integrated planning with other members of the executive branch. As the interim report of this subcommittee correctly says:

He needs a wide-ranging knowledge of the relations between military and foreign policies, of the uses and limitations of economic and military aid, of information, propaganda, and related programs, of the strengths and weaknesses of our adversaries, of the dangers and opportunities in countries around the world, and of the working of international institutions and of regional organizations.

This is enough responsibility to keep anyone fully occupied and the workload, not counting the necessary formal social functions of the office, is in my opinion already at the dangerous level. This feeling colors the answers I attempt to give below to certain of the specific questions asked.

(A) "Is the Department's organization adequate for policy-making?"

The policymaking machinery and procedures in the Department seem to me, in general terms, to be adequate. Adjustments designed to accelerate decisions and provide guidelines for other departments would seem possible with certain changes in method of operation covered briefly below.

(B) "Should the Secretary be given a more dominant role in overall national security planning?"

I think not. He already has more than he can do properly and his opinion can now carry whatever weight the President feels it deserves. Increasing the Secretary's role will not relieve the President from making the ultimate decision on foreign affairs which, as is pointed out earlier, is a necessary first step in national security planning.

(C) "Are the responsibilities of the State and Defense Departments in national security policymaking now correctly defined and divided?"

I think they are adequately defined at present. The effectiveness of any such allocation depends on the intent and cooperation of the parties at interest. No organization chart is a substitute for a sense

of common goals. Such charts are, I think, generally, proof that a picture of a lot of oblong boxes—especially when colored—can be more deceiving than a thousand words.

(D) "Should some of State's functions in national security policy-making be shifted to a sizable planning staff at White House level?"

I believe this would solve nothing, would increase organizational layering and promote overstaffing, and would prove wasteful in time, money, and manpower. It seems to me that if planning is removed too far from operating responsibility, a misleading lack of realism results. The President ought to be provided, I think, with the full flavor of the operational department's planning.

(E) "In view of his formidable burdens of office, can the negotiating responsibilities of the Secretary of State be lightened?"

My answer is an emphatic "yes."

As indicated in an earlier paragraph, the Secretary's duties are extremely heavy. His voice in council is of cardinal importance if delay and vacillation in policy and performance are to be avoided or substantially reduced. To have him dashing about, all over the world, to an increasing variety of meetings or negotiations, makes very little sense to me.

Our system of government, with its checks and balances and other essential procedures, differs so materially from most of the others in the world that the argument that "They can do it, why not we?" rings hollow and false. Actually, the ability to yank our Secretary out of his chair for some foreign ministers' meeting—and keep him out of the country for days or weeks—is a rather neat way to throw a monkey wrench in our policymaking machinery and in our method of consulting the Congress.

Among the most important attributes a Secretary of State must possess are, in my opinion, trustworthiness, reliability, and availability in Washington. One hears much of the first two virtues but little of the almost equally important third. The travel burden placed on the Secretary in the last 10 years has steadily increased. If the trend keeps up, he will soon find that such time as is not spent in overseas meetings is barely enough to devote to the enforced neglect of his other duties.

A possible solution—and the only one with much appeal that I have heard of—is to continue to regard the Secretary of State as the first-ranking Cabinet member and Presidential adviser with responsibility for the conduct of the State Department. Then create a new Cabinet position, responsible to the Secretary of State and, through him, to the President, and have him devote full time to meetings and negotiations. He could be given such title as is needed to do the job—perhaps Minister of Foreign Affairs. The skills and special gifts needed for this work may prove more easily developed when not burdened with other executive responsibility.

(F) On the budgetary process, "Should State and Defense (and perhaps other agencies concerned with national security) participate fully in the initial establishment of 'budgetary guidelines' for national security programs?"

I believe they should, since a sound budget can only be developed if both State and Defense—the latter in particular—go painfully through the steps of determining—

(a) What is necessary (and not merely desirable) for national security;

(b) Whether it is feasible from the point of view of national resources and production machinery; and

(c) Whether it is socially or politically acceptable to the people.

An added reason lies in the importance of having the budgetary goals determined from the outset by a great concern for a system of priority of national need and not have them too greatly influenced by the officials of the Bureau of the Budget itself.

* * * * *

Finally, national security depends, I believe, on something far more important than the machinery which is supposed to serve it. It depends on many things. Some of them, to be sure, are material things. But the more important ones are matters of the national spirit. It depends on our belief in the future; it depends greatly on our sense of values; and it depends on our willingness to give up a little of today in order to have a tomorrow.

While the challenges of the moment are most serious in a policy-making sense, I see no reason for black despair or for defeatist doubts as to what our system of government or this country can do. We can do whatever we have to do in order to survive and to meet any form of economic or political competition we are likely to face. All this we can do with one proviso: we must be willing to do our best.

In brief summary, therefore, I suppose the net of my answers to the questions dealt with above is that there is nothing wrong with the machinery that cannot be corrected by the removal of some excess parts, the replacement of some wornout ones, by lubricating generously with an understanding approach to the personnel problem involved, and by having a destination clearly in mind before we start out.

Senator JACKSON. Mr. Lovett, I am sure I speak for all members of the committee in expressing our thanks for an excellent statement.

You have accomplished this in a limited number of words and with language I think that is most descriptive of some of the great problems that we face in the area of national security and policy machinery.

I will ask a few questions and then I will defer to my colleagues on the committee.

I want to ask you, Mr. Lovett, whether in your judgment the threat now confronting our country is sufficiently serious to require a greater effort than we are now making.

Mr. LOVETT. In general terms, Mr. Chairman, my answer to that would be yes. While I am not familiar with the details of the military requirements, or the debates which have centered about them, it seems to me that the country's security lies also in fields that embrace things other than mere military end products themselves: such as our position in the eyes of the world, or the psychological image which we present to the world as a whole.

I feel that we are doing something short of our best.

Senator JACKSON. You think our prestige has been affected worldwide?

Mr. LOVETT. Yes, sir; I think it has.

Senator JACKSON. And that this comes from many things, not just military alone, but also other factors that leave an image that may not be what people had expected of us based on our past performance?

Mr. LOVETT. I think our past performance may have raised the hopes of the world excessively high. But I still feel, sir, that we

are doing something short of our best in several fields, excluding the military items with which I am not familiar.

Senator JACKSON. Mr. Lovett, it is sometimes said that we cannot afford to spend more on defense and other national security programs.

What is your judgment on this? You are a man of broad business background. You have been in the investment banking business for the greater part of your life, I believe, and you are also at the present time in an operating business, a very large, diversified enterprise, the Union Pacific Railroad.

Mr. LOVETT. Well, sir, I must frankly say that, as I attempted to point out in my prepared statement, I am personally confident that whatever needs to be done to promote our security in the world today and to assure our future can be done in a financial sense and in an economic sense without materially downgrading the position of this country.

Senator JACKSON. I believe you were in the Department of Defense when the budget was raised very substantially and very dramatically in a short period of time.

Do you recall what that adjustment was in terms of national defense?

Mr. LOVETT. Yes, sir. I have a very vivid recollection of certain aspects of it.

When I came down here early in the fall of 1940 we were then going into the stages of supplemental budgets, the Korean war having broken out.

Senator JACKSON. You mean 1950, I believe.

Mr. LOVETT. 1950; I beg your pardon, sir.

The first full budget which we submitted had requests, as I recall it, from the three military departments, for something over \$100 billion. I think it was around \$102 billion or \$104 billion. Through the screening processes which were applied strenuously, it was reduced to the \$60 billions.

My impression is that we came up to the Congress with a budget of about \$62 billion or \$63 billion, and there were adjustments made in the congressional hearings which gave us something over \$60 billion for fiscal 1952, I think it was.

Senator JACKSON. And that was from a level of about \$14 billion?

Mr. LOVETT. Perhaps a little higher than that, but it was in that order of magnitude.

Senator JACKSON. \$14 billion or \$15 billion?

Mr. LOVETT. Yes, sir.

Senator JACKSON. I have one other question: In your judgment, do you feel that the Soviet across-the-board competition, military, economic, political, psychological, will diminish or intensify in the years ahead?

Mr. LOVETT. Well, the only judgment I have on that, Mr. Chairman, is that derived from Khrushchev's own statement. If he is an accurate spokesman of their aims and ambitions, then it can only increase. It will increase, I think, obviously, in the military field in which, according to the press at least, they have certain current advantages.

I think one of the major threats lies also in the economic field. The net of both of those is that in any field in which they can cause heavy competition, I feel confident that they will.

Senator JACKSON. What you are saying in summary is that we really should believe the Russian threat to bury us.

Mr. LOVETT. I think we should, sir.

Senator JACKSON. Someone has said that candor is the most effective form of deception in international relations. Certainly Adolph Hitler announced to the world exactly what he was going to do and went about doing it.

Mr. LOVETT. We have been inclined, I think, to regard with excessive suspicion some of the Russian claims of material accomplishment. I would ignore a high proportion of their statements of any moral aims. But in the material field I think that their statements, generally speaking, have a high order of reliability.

Senator JACKSON. As a matter of fact, in the weapons area, they have had a pretty good record of candor, I believe. Mr. Molotov announced in the United Nations in early 1948 or 1949 that they would soon have the atomic bomb. Of course, that did occur in August of 1949. Then Mr. Malenkov, at a meeting of the Supreme Soviet in July, I believe, 1953, announced that they would have a thermonuclear bomb. That did occur within a month.

They also announced that they would have rockets, meaning ballistic missiles, and, of course, that has come to pass.

The Chair is not suggesting that everything the Russians say is to be taken at face value. It does appear, though, in certain areas where they know they can be hurt, prestigewise, if they fail to deliver, they have certainly delivered.

Senator MUNDT?

Senator MUNDT. I would like to associate myself, first of all, Mr. Lovett, with the statements of the Chair concerning the interest and pertinence of your statement. I think it gives us a good background on which to proceed in connection with these hearings.

You indicated that perhaps a great budget should be utilized in national defense. I wondered whether, from your experience in Government and in business, you feel that if we should provide a larger budget we should correspondingly provide increased taxes to support it, or whether you propose that we go further into deficit spending?

Mr. LOVETT. Senator Mundt, to be strictly accurate, I had not intended to reply to the chairman's question in any sense which would indicate that I favored a larger dollar amount for any military purpose. I specifically tried to indicate that I was not aware of the amount of the military requirements.

But to be responsive to the remainder of your question, if it became necessary to increase the budget on proper showing of military need—not desirability alone—I would not hesitate to increase it.

I would simultaneously try to do two things: I would certainly increase the tax load, if it were necessary; but simultaneously I would try to reduce the number of frills—not essentials, but the frills—that exist in many of the Government operations, including, specifically, the military.

The reason I mentioned the overstaffing and the complications created by committees, as you remember, sir, from your own familiarity with this field, is that it is awfully hard to cut these expenses out. A certain form of vested interest seems to be acquired, once they are built up.

Senator MUNDT. Probably it would be easier in wartime than in peacetime.

Mr. LOVETT. It is definitely easier in wartime, sir. The present is, I should think, a very difficult time. But on the other hand, it can be done. I would say that whatever funds were shown to be needed and were approved by the Congress could be raised by a combination of savings and taxes, but only after a truly major effort had been put on cutting out some of the unnecessary duplications of effort and the overstaffing and overlapping, which occurs, in my opinion, today, as it did in my time.

Senator MUNDT. I suggest a hypothetical question to illustrate the point, which I think I understand.

In the event that the National Security Council and policymaking machinery should measure the dimension of the Communist threat and decide that it would require, for defense purposes, another \$10 billion annually, at a time when our budget is precariously in balance, and which would throw it out of balance \$10 billion, I take it then you feel that Congress should impose the taxes and the Congress and the Executive together should endeavor to cut out the frills, so that the impact of this increased defense effort would not plunge us \$10 billion out of balance.

Is that approximately what you have said?

Mr. LOVETT. Senator Mundt, I loathe taxes. I have no affection for them at all—

Senator MUNDT. That does not put you as a member of a very exclusive club.

Mr. LOVETT. And I do not think that the exclusive reason for raising the taxes should be assigned to the military departments. I say this with great deference to the Members of the Senate because they are more familiar with this area than I am.

But it seems to me that for a country to stockpile something in the order of \$10 billion worth of grain et cetera, and to pay out a million dollars a day to store stuff that we cannot use, that we cannot give away, and cannot sell in free markets, would need some attention on the part of the Congress as well as the executive branch before we took the step of increasing taxes because of some military need.

It is hard for me to imagine, too, that military needs of the order of magnitude just mentioned could come on us except under a crash program. I think orderly programing would indicate that the ability to spend more than a fairly moderate increase annually would have to be proven.

Senator MUNDT. Of course, as a Senator from the Farm Belt, Mr. Lovett, I cannot sit idly by and let the implication occur that the farm program is a frill. It is a very expensive operation, I might add. I suspect that trying to improve our national policy machinery is an assignment of pigmy size compared to trying to solve the farm problem.

Mr. LOVETT. I would be sure of that.

Senator MUNDT. I assume you are just using that as a hypothetical illustration.

Mr. LOVETT. Just a hypothetical illustration, and one which I think is in the papers so frequently it is easy to observe.

Senator MUNDT. In the hypothetical atmosphere, I will not pursue it any further. We are not called to discuss the farmer.

You stated someplace in your statement, or perhaps in response to an interrogatory by the chairman, that you felt that we should do more in the security field. I think we all realize that we should do everything that we can.

Would you care to relate that position to your attitude as to the mutual security program? You did not mention that any place in your prepared statement, whether you feel we should continue it at about the present level or at the level suggested by the President.

Should we increase it or decrease it? What part do you recognize, as I know you do, that the mutual security program plays?

Mr. LOVETT. I think it plays a very important part, Senator Mundt. I am not able to measure it in amounts because, as you know, I have no association with it and have lacked familiarity with it for some years. But basically, I think there are two aspects of it that are of considerable importance. One is the fact that it does enable us to get a certain degree of security at a less expenditure of funds than if we were relying solely on our own efforts.

Secondly, I think in the economic and technical area the struggle for the minds of men is of enormous importance now with this seething trend toward nationalism. I think the mutual security program has a very real worth. It is of real value.

Senator MUNDT. Does it not have this other possible dividend-paying characteristic: that it is one phase of our defense program because it is, in fact, a part of the defense program, it is one phase that tends to liquidate itself because where it works well it tends to require less and less funds every year?

We find cases where there are increases, as in Turkey, where we can all point with pride and say, "Here it is working," or in West Berlin. It seems to me that it does have at least that possible dividend, where it would not necessarily recur year after year at a like level.

If it is working well, it should tend to make it less important that we appropriate funds in those areas in ensuing years. Is that a fair assumption?

Mr. LOVETT. I think that is correct, Senator.

Senator MUNDT. I was intrigued by your suggestion about a new sort of a second Secretary of State, a Minister of Foreign Relations. Certainly you are dealing with a very significant problem when you talk about the overwork that the Secretary of State has, and the requirement that he wear two hats, one when he is at home with a full 24-hour job, and the second when he is doing the tremendous job overseas in these international conferences, which sometimes are fairly productive and certainly which we cannot ignore. We cannot sit here and expect everybody to come here.

I remember John Foster Dulles one time in front of our Appropriations Committee was pleading for a sort of division of powers and the taking out of the State Department of the economic activities. He said, "I conceive of this job as a thinking job, one to think about foreign policy, and I never have any chance to think at all. I want somebody else to handle this ECA," and things of that type.

That is what you are getting to. Of course, you think of the Secretary of State as a man whose primary job is to think, to plan about foreign policy, and somebody else to take care of the negotiations out in that area.

But I wonder if we could not perhaps achieve that objective without creating a new Cabinet position, which seems to me would have several reasons at least to arouse some questions such as, Should you have two Cabinet officers dealing with the State Department and with other problems, or should you have a Cabinet officer in the unique position of being responsible to some other officer of the Government instead of the President, as all other Cabinet officers are directly responsible to the President?

You suggest making a new Cabinet officer responsible to the Secretary of State and through him to the President, which is at least a different arrangement from what we have for others. Could you not perhaps achieve that same desirable objective by having an Under Secretary of State selected because of his capacity as a negotiator, whose job it would be to pursue these foreign relations abroad, and so forth, as against another Under Secretary of State who would help do the job the Under Secretary of State primarily does, and then the Secretary of State could be here and could devote more time to that activity? Would that be another possible approach?

Mr. LOVETT. It might be a possibility, Senator Mundt. I doubt whether that route of using the Under Secretary or an additional Under Secretary would be wholly acceptable to our foreign vis-a-vis at these meetings. They lay a great deal of emphasis on protocol and title.

While they would deal with a man who had Cabinet rank, I think they would regard it as being somewhat downgrading to their own importance if they accepted someone of Under Secretary rank. We had that experience in my time when we had an Under Secretary for Economic Affairs, Secretary Clayton, who was extremely competent in his field. Yet in some of the meetings abroad there was an indication that where he met with the foreign minister of a foreign country, that foreign minister expected someone of at least equal rank to meet him.

In other words, it is a matter very largely of protocol. It is a thing we run into in the military departments frequently. We have fought many wars quite successfully with a four-star rank. But when you run into field marshal ranks in international meetings, then it is necessary to get the five-star rank for our men so as to make everybody feel comfortable about dealing with equals.

Senator JACKSON. Mr. Lovett, at that point I believe you served as Under Secretary of State and during that time had to serve as Acting Secretary of State for long periods of time.

Mr. LOVETT. Yes, sir.

Senator JACKSON. So you speak from some personal experience, too?

Mr. LOVETT. Yes, I do, sir.

I think the Acting Secretary is accepted with some generosity of spirit, depending on the country that you are dealing with, but he hardly is as warmly welcomed as the established and appointed Secretary.

Senator MUNDT. Of course, it might require some education of our friends we negotiate with, but you run into that same difficulty, do you not, Mr. Lovett, when you have to explain to these foreign negotiators, that when you are over there you still have the U.S. Senate, which has to approve anything done treatywise, and it is a little hard for them sometimes to accept that, too. Or if you are

talking about a foreign aid program, you say, "Yes, we will certainly take care of giving you X million dollars, provided that the Appropriations Committee comes through."

There are a lot of things that are unique about our system that we have to explain as we work along with our friends overseas.

Mr. LOVETT. That is true. I think most of the countries overseas have come to accept the U.S. Senate as an act of God.

Senator MUNDT. You had to educate them to do that.

I have one other question, or perhaps it is not so much a question.

I think some gremlin has gotten into our American society. I think this overlapping of committees that you mentioned is certainly very apparent in the executive department. I think unhappily it is also reflected in the legislative department.

Last night, in reading a late newsletter, the author says that you folks in the business colony are guilty of precisely the same thing, creating havoc in business corporations. So we are sort of looking for a new vaccine, it seems to me, to attack this American virus of committeeitis, which has all of us by the jugular vein.

Mr. LOVETT. It is a very virulent disease, there is no question about that. I wouldn't want to suggest that business is any way immune to it. We have it, too.

Senator MUNDT. One other question: It seems to me that while the responsibility of this committee may or may not be limited in the organization for national security to checking up on what is being done or what is not being done or what might be done better by executive agencies in the executive department, I don't know whether we have the right or the authority to include in our analysis what Congress might do to improve its functions in this organizational setup. But it seems to me if not, some committee should be assigned the responsibility of taking a look at us, and engaging in a little self-appraisal.

I was visiting with a high functionary in the Defense Department the other day who related to me the amount of days and time and hours he spent up on the Hill, reporting first to one committee and then to another committee. This committeeitis, I can see, must interfere with the work of busy executives in defense.

You did go around that end of the line, and I wish you would tell us whether or not this did prove to be a time-consuming factor and whether we can streamline our machinery so that fewer committees can get the information and handle it.

If this is so, might this remove one of the roadblocks toward achieving the faster decisions we would all like to have come from the other end of the avenue?

Mr. LOVETT. Senator Mundt, I think appearances before the congressional committees are a part, and a very important part, of the responsibility when you take your oath of office. It is a very time-consuming necessity. There is no question about that.

If you could appear before combined committees, as, for example, in the case of the Marshall plan—I don't know the precise name that you gave it, but there was the committee of the House and the committee of the Senate meeting in some sort of a joint hearing.

Senator JACKSON. It was the Foreign Affairs and Foreign Relations Committees.

Mr. LOVETT. Yes, sir. That accelerated the consideration very considerably.

I would not venture to express an opinion on its general applicability, because I am not familiar enough with congressional procedures. But to be fully responsive, I learned a very painful but useful lesson during the war when, having gotten rather beaten down by consistent appearances before various committees of the Congress, I suggested to Senator O'Mahoney, after one of the Appropriations Committee meetings of the Senate, that this was getting to be terribly time-consuming and exhausting, and it was very hard to keep up with, and couldn't something be done about it.

He said, in effect, just breathe deeply and this will pass off in time; go back and do your job and do not worry about this aspect of it. Which I did.

I subsequently made an inspection trip to Germany, and in the process was presented with the information which had been collected by the teams which were sent in to question the leading German industrialists and war production leaders. One of these was Dr. Albert Speer. It was his opinion, expressed to our examiners, that one of the reasons that the German economy collapsed and that the Wehrmacht was left inadequately supplied in the latter days was because under a dictatorship, once a department head got the nod from Hitler, he went ahead as a little dictator and rode his particular hobby without criticism. There was no performance audit run on him as his program continued.

The best example of that was when they got their jet fighters. They were so impressed by our use of the fighter bomber that they tried to turn their interceptor jet fighter into a fighter bomber and, of course, failed because of the difference in thrust as compared with propeller on takeoffs.

It impressed me so much as I went further into it that I found it necessary to come up and eat humble pie before Senator O'Mahoney. I said then if I had to choose between having a congressional committee breathe on the back of my neck as a form of performance audit and getting in the position as a department executive of riding some particular conviction or belief to the point of defeat I would choose a congressional hearing. And I still feel that way about it. Appearing before committees is time consuming, it is exhausting, sometimes terribly irritating, but on the whole, as long as we have our form of governmental system, I think it is a necessary part of it.

The time-consuming part is the duplication of hearings, of walking from one side of the Capitol to the other before committees interested in the same material.

Senator MUNDT. It was, of course, the duplication that I was concerned about.

I do not want anybody to suggest that congressional hearings should be eliminated, but there are at least five, and possibly six, Senate committees which, during the course of the first few months of a year, will call the same high executive up, perhaps the Secretary of Defense or the Secretary of State, to go through pretty much the same material, because a fellow is going to say whatever he believes, whatever the facts are, as he sees them.

It seems to me that if we could streamline that procedure or consolidate them, to have the member appear before committees meeting together, it would move in the direction of our target, and that is to streamline the activities and get good results faster.

Senator JACKSON. Senator Mundt, on page 19 and page 20 of our interim report, Roman numerals VIII, "The role of Congress and congressional responsibilities," we do raise the very question that you have put your finger on today.

The committee has received a wide range of suggestions from various individuals and groups including proposals for joint meetings of the Foreign Relations and Armed Services Committees, proposals for establishing a permanent national security committee in each House, or else creating a joint congressional committee on national security.

I personally have a feeling that when the executive branch comes up with some consolidation in the national security area, corresponding changes will take place in congressional structure.

For instance, when the services were put together in the Department of Defense, the Naval Affairs Committee and the Military Affairs Committee were abolished, and one committee was created—the Committee on Armed Services in the House and the Senate. This is an example of one vast area in which you had this kind of consolidation.

Senator MUNDT. You are a member of the Joint Committee on Atomic Energy.

Senator JACKSON. That is right, and that stems from a statute.

Senator MUNDT. That seems to be a procedure which has saved time, hasn't it?

Senator JACKSON. I think it has, very definitely, but it has done something more. It has brought the executive and legislative branches closer together.

The statute setting up the Atomic Energy Commission requires that the AEC keep the Congress currently informed. This has resulted in a diminution of the problem of executive privilege. The Atomic Energy Commission does keep the Joint Committee currently informed, and it represents something new, an innovation, in our system of government, where the two branches work together in many areas. A great body of tradition has grown up which represents a very fine example of what can be done if some of these things are tried out.

I do believe that you are completely right in raising this issue, Mr. Lovett, in trying to simplify the procedures. I believe our committee could very properly make appropriate recommendations in this area. Of course, it would be for the Rules Committee to actually implement or to act on these recommendations.

Senator MUNDT. Whatever we do, of course, will require legislation, except as we make recommendations and they are adopted voluntarily. The congressional approach would be the same as other approaches.

Mr. LOVETT. Senator Mundt, may I expand my answer to an earlier question in order to try to cover the matter more fully?

Senator MUNDT. Certainly.

Mr. LOVETT. As to this man who shall be especially assigned the job of familiarizing himself with the requirements of international negotiation, it seems to me that there is a very useful function that could be performed—now that we have fast aircraft and other means of immediate communication—by getting together with other nations and working out a system of rules for international meetings.

I apologize for being a little fuzzy on my history, but as I recall it, the Congress of Vienna, along about 1815 or thereabouts, met specifically to work out a system of rules for international discussion and international cooperation in the terms of those days. It is now 145 years later. I do not recall any meetings having occurred in the interim—at least not in my lifespan. I feel that it might be a very fruitful step, if you could get the major countries together and adopt a set of rules as to who would represent a country in certain areas of international problems.

Senator MUNDT. That might serve as sort of a catalyst to eliminate a protocol problem. They have different titles for their people from what we have for ours, and this could establish a working formula which might tend to relieve this very situation that you talk about; without getting into the area of having one department have two members of the Cabinet, and then Mr. Defense Department would say, "Look here, old fellow, we spend more money than the Secretary of State. We have a bigger job. We have to have two or three Cabinet members".

I am not sure that expanding the Cabinet indefinitely might not create more problems than it would cure.

Senator JACKSON. Senator Mansfield, we would be delighted to have you ask some questions.

Senator MANSFIELD. Thank you, Mr. Chairman.

First, I wish to express my thanks to the chairman and ranking minority member for allowing me to participate in this inquiry, and secondly, I wish to compliment Mr. Lovett for his usual frank approach to problems facing this committee.

In your testimony you refer to the foul-up factor in our methods and the need for some careful examination of it.

In your opinion, Mr. Lovett, do you think there are too many committees and too many commissions within the Government?

Mr. LOVETT. Yes, sir; I do.

Senator MANSFIELD. Do you think that in late years, under both Democratic and Republican administrations, one of the ways in which we meet our problems, or one of the ways in which we have swept our problems under the rug, is to create a committee or commission and then forget about it?

Mr. LOVETT. I am afraid it has been used as such a device very frequently, sir.

Senator MANSFIELD. Mr. Lovett, you talked primarily about the Defense and State Departments. I gather from what you say that you think there is a good deal to the process known as Parkinson's law in those departments.

Would you say that that is generally true throughout the Government?

Mr. LOVETT. In my opinion it is, Senator Mansfield, very definitely.

Senator MANSFIELD. Would you say that it is increasing in late years?

Mr. LOVETT. Well, I have no yardstick by which to measure it in more recent years. It was increasing in my time, and simply by the passage of time, since this is a self-multiplying affair, I would gather that the number has undoubtedly gone up.

Senator MANSFIELD. Would you say, Mr. Lovett, that in the Department of Defense the Chiefs of Staff of the different services

have to go through a number of steps before they reach the Secretary of their particular service and eventually the Secretary of Defense?

Mr. LOVETT. I think they do have to go through a number of ritual steps. They did in my time. The number was not excessive, but I understand that there has been no substantial change in the machinery.

Senator MANSFIELD. It is my understanding, and I stand to be corrected if I am wrong, that the Chief of Staff of the Army, General Taylor, made the statement not so many months ago that he had to go through 19 different people before he could reach either the Secretary of the Army or the Secretary of Defense.

It appears to me that what you have there is a situation which cries out for reform. Certainly the Chief of Staff of any one service ought to have immediate access to the Secretary of that particular service. Would you agree?

Mr. LOVETT. Yes, Senator Mansfield.

I think that is a fantastic state of affairs if General Taylor is speaking correctly. I can't imagine a Chief of Staff of any of the services being delayed one minute if he picked up the phone to the Secretary of his military department or the Secretary of Defense and said, "I need to see you".

Senator MANSFIELD. I do not think it applied, Mr. Lovett, to the need to see the Secretary, but in order to work out a policy decision, it had to go through 18 or 19 individuals, most of them civilians, most of them political appointees, most of them there for a very short period of time, whereas this man was a career officer who knew his work and should have had immediate access, in my opinion, on this particular basis, to his immediate superior, the Secretary of the Navy.

Mr. LOVETT. That would not have been the case in that degree in my time because it was war then, Senator Mansfield, and I think a lot of that kind of thing disappears at such times.

One of the problems here, to be quite blunt about it, is that I believe the position of the individual in Government is being constantly downgraded. You don't get much judgment from a committee. Usually the committees, of the sort we are speaking of now, are the result of some rather lonely, melancholy men who have been assigned a responsibility but haven't the authority to make the decisions at their levels, and so they tend to seek their own kind. They thereupon coagulate into a sort of glutinous mass, and suddenly come out as a committee. When you have one of those things, you have real trouble.

Senator MANSFIELD. That is where porosity comes in.

Mr. LOVETT. Yes, sir.

Senator MANSFIELD. I think in that respect, before I go to my next question, what we have had in late years is a downgrading of competent military leaders and an upgrading of political appointees in their relationships with those leaders.

My next question has to do with your statement that the Department of Defense and its military establishments should be nonpolitical and nonpartisan.

Do you think under a Democratic administration, let us say, that the members comprising the leadership in the Department of Defense should be allowed to go out to make Jefferson-Jackson Day addresses?

Mr. LOVETT. Well, they were not allowed in my time, sir, which was in a Democratic administration. There may have been an individual

who attended one and may have made a speech or something like that. But it was not either by direction of the Secretary of Defense or with the Secretary of Defense's permission. General Marshall felt very strongly in those areas, as I do.

Senator MANSFIELD. Speaking during your time, did not both the Defense Department and the Department of State usually keep their top officials out of anything which might be considered pertaining to politics?

Mr. LOVETT. We had definite instructions from the President to keep ourselves out of politics, no matter from what source the request came. Requests frequently came from the national committees of both parties, and the matter was always referred to the White House for handling. We didn't have any trouble that I recall.

Certainly one of the reasons in the Department of State would be manifest, as a bipartisan enterprise. The Congress was Republican and the administration was Democrat. So it would have been the height of something greater than folly to have gotten into the political field even if it hadn't made good solid sense to stay out of it altogether. That was the case in both departments.

Senator MANSFIELD. In your statement you said that civilian and military executives alike should stick to the fields in which they have special training and aptitudes.

Do you not think that that same principle could well be applied to Members of the Congress?

Mr. LOVETT. Senator, I—

Senator MANSFIELD. I will not ask for an answer. I will move to the next question.

Mr. LOVETT. Thank you.

Senator MANSFIELD. In connection with your discussion of turnover of key civilian executive personnel, is it or is it not your belief that there are too many people who come into the Government, occupy positions of great prestige and trust, who stay too short a while and then resign to the detriment of the department in which they served and the Government as a whole?

Mr. LOVETT. I think it is a great pity when that occurs, Senator Mansfield. I don't know the terms on which they were introduced into Government.

Very frequently, as a matter of inducement to some man to leave business—within the terms of a possible leave of absence and without interfering with his pension rights or some such thing—they will say, "Come down for a couple of years anyway." I think that is a mistake, sir.

Senator MANSFIELD. I note in your statement that you say:

At a guess, I would say he could pay good dividends to the Government in about 2 years.

So if he resigns at the end of 2 years or before that time in a sense the Government has suffered a real loss and the department which he is supposed to have administered has likewise suffered a loss.

Mr. LOVETT. Absolutely. The Government is out of pocket and the department suffers because there have been a lot of people who have been taking extra time to keep him on the track all the way through.

Senator JACKSON. At that point, I was going to ask this question, which follows Senator Mansfield's inquiry.

Mr. Lovett, in your judgment, can we have truly effective civilian control in the Military Establishment when the Secretaries serve but a short period of time?

Mr. LOVETT. I think, Mr. Chairman, you can have effective civilian control in the Department as it is currently set up, because you have a layer of ranking civilians there. You get control, but you don't get intelligent management on that basis.

Senator JACKSON. Can a Secretary of Defense intervene properly where there is a split in the Joint Chiefs and really make a sound decision if he has not had adequate time over a period of years to really learn the business?

Mr. LOVETT. No, sir; he would not have adequate time to learn the business.

Senator JACKSON. And the law contemplates that he have some knowledge in the area of military requirements in order to discharge his constitutional and statutory responsibilities.

Mr. LOVETT. That is correct.

Senator JACKSON. Excuse me.

Senator MANSFIELD. Mr. Lovett, you mentioned something about people coming down from business and being asked to serve for only a short period of time, so that their pension and other rights would not come in danger.

In your opening statement you refer to the so-called conflict-of-interest laws. Would you suggest that the conflict-of-interest laws either be done away with or that the Congress take another look at this particular matter and see if some way could not be worked out by means of which men of great competence could be allowed to serve in a leadership capacity without having to sell their stocks, give up their rights and other matters which are of intrinsic personal importance to them and their families?

Mr. LOVETT. I believe that the conflict-of-interest laws need to be modernized. I do not think that they should be altered to the point where they have no merit at all.

The reason that I feel that this thing is manageable, Senator Mansfield, is that several very important steps in Government supervision of business have occurred since the conflict-of-interest laws as they currently stand were written.

You have, for example, the Glass-Steagall Act, but more particularly you have the acts relating to full disclosure by corporations, both under the Security and Exchange Commission regulations and under laws specifically relating to the circulation of proxies and so forth.

In the proxy statements nowadays the individual members of the board and officers have set out after their names their salary and the amount of shares of stock they own, any options to which they are entitled, and so forth and so on.

The requirements for public disclosure on the part of corporations is very much greater than it was 30 years ago.

So I believe that it is possible to amend the act in such form as to apply a rule of reason to what is a reasonable amount of stock that a man might own.

I have a couple of figures here which I think are rather illuminating on this point.

I have here a list of the 50 most popular stocks in investment trust portfolios. Taking the first 10 only out of them, you see some rather startling amounts of stock outstanding in the hands of the public.

For example, General Motors Corp. has 283,090,000 shares. If a man is an employee, for example, of a bank in New York, and he has 500 shares of General Motors, it is very difficult to see how his ownership of so minute a portion of General Motors stock in any way represents a real conflict of interest, as originally contemplated. There are others.

Standard Oil Co. (New Jersey) has 214 million plus.

Among these first 10 is American Telephone also with over 214 million shares. In other words, what is "substantial" is the controlling word here, I think, and I believe we have to revise our understanding of it.

Senator MANSFIELD. What you are saying, Mr. Lovett, is that times change and we should change with them.

Mr. LOVETT. Yes, sir.

Senator MANSFIELD. In connection with your statement relative to split papers for the Joint Chiefs of Staff, do you approve of the action taken by Secretary of Defense Thomas Gates when he assumed office when he stated that in case of differences, he would sit in with the Joint Chiefs and would make the decision if need be?

Mr. LOVETT. I strongly approve of that, Senator Mansfield. I think it is a step which formalizes arrangements and practices which in General Marshall's time were normal.

Senator MANSFIELD. I agree with you completely, and I think that Secretary Gates should be commended for making that statement and putting it into effect.

Mr. LOVETT. I think it is a first-class step, sir.

Senator JACKSON. You followed that course, did you not?

Mr. LOVETT. Yes, sir; but it was never necessary to formalize it then.

Senator MANSFIELD. Apropos of Senator Mundt's statement relative to policymaking, I do think that Secretary Dulles did do a great deal of thinking on his own. I note that in discussing the State Department, Mr. Lovett, you referred to the Department and its organization and raised the question: Is it adequate for policymaking?

In your opinion, is the policy staff in the State Department doing the kind of a job which was envisaged for it when such an organization was created?

Mr. LOVETT. Senator, I have no personal information on that. I think that the machinery which exists in the Department of State is a multiple-use machinery, of course, and I believe it is adequate if properly used.

The Department will not run, Senator, without a Secretary of State on the job, in my opinion. It simply cannot run without decisions.

Senator MANSFIELD. But one man cannot, in this day and age, do all the thinking necessary to arrive at an understanding of all the problems which confront us.

Mr. LOVETT. That is correct, sir. And, more particularly applying to State than to some of the other departments, policy is not the product, necessarily, of an orderly series of machinelike steps, as you gentlemen know from your own experience.

Policy is the resulting merger of a number of different ideas coming from different people, which are then subjected to the polishing friction of differences. It is essentially a personal thing and there is no way that I know of that either a committee or a more or less routine procedure can take its place.

Senator MANSFIELD. Not only is policy subjected to immediate consideration, but I would assume that it is also projected into the future on the assumption that one should consider anything in the way of possibilities which might occur in a given area or a given field.

You refer in your statement to the negotiating responsibilities of the Secretary of State and suggest that they be lightened.

Do you think that because of the fact that our Secretaries of State in recent years have done so much traveling around the world, so much so, as you indicate, that it keeps them out of the country for days or weeks, and at times throws a monkey wrench in our policy-making machinery and in our methods of consulting the Congress, do you suppose that because of this practice one of the results has been the downgrading of the ambassadors in the countries to which they are assigned and a diminution of their responsibilities and authority?

Mr. LOVETT. That is very difficult to say, Senator. I do not know. I would imagine that if the Secretary of State ran too many inconsequential negotiations in any countries other than one of those to which we have some special tie—as, for example, the Big Four—it would have the effect of reducing, at least in the eyes of that particular country, the standing or importance of the ambassador.

Senator MANSFIELD. At least it is a question worth considering?

Mr. LOVETT. It is a question which I think should be explored.

Senator MANSFIELD. Mr. Lovett, you referred to the possible need of a Minister of Foreign Affairs as an associate of the Secretary of State.

Would this Minister of Foreign Affairs, so-called, be the one who would do the traveling if traveling was necessary?

Mr. LOVETT. Yes, sir. And in using the expression "Cabinet position," I did not mean that he necessarily had to be a member of the Cabinet in its historical sense, but with Cabinet rank.

Senator MANSFIELD. As Henry Cabot Lodge has through his ambassadorship to the United Nations?

Mr. LOVETT. Yes, sir.

Senator MANSFIELD. I have one more question: In your statement you say:

An added reason lies in the importance of having the budgetary goals determined from the outset by a great concern for a system of priority of national need and not have them too greatly influenced by the officials of the Bureau of the Budget, itself.

Do you think, Mr. Lovett, that the Bureau of the Budget in this day and age has too much power allocated to it?

Mr. LOVETT. I can speak to the question more accurately, Senator Mansfield, by relating it to my own time. I felt that it had too much power assigned to it then. The situation seems to me to be almost the reverse of what you run into in some of the operating departments, where you frequently find responsibility without authority. In the Budget you very frequently find authority without responsibility. They are just about equally irritating forms of danger.

Senator MANSFIELD. It appears to me that the Budget on many occasions is trying to run the Congress and the country. They are the ones who, in effect, withhold funds despite the congressional intent and despite the constitutional powers given to the Congress in the field of defense.

For example, I can recall offhand three illustrations in recent years, and I can recall some under a Democratic administration, when the Bureau of the Budget acted to take unto itself powers of responsibility which I do not think are theirs, and the result was that in that way the intent of the Congress was circumvented and what the Congress wanted done was not done. But that is just my point of view.

Thank you, Mr. Chairman. That is all.

Senator JACKSON. Senator Bush.

Senator BUSH. Mr. Chairman, I am not going to ask any questions, but I do want to thank the chairman for inviting me here, and I wish to congratulate the committee on asking Mr. Lovett to come down here to give this testimony which I am sure will be most helpful to the committee. I am very grateful for the privilege of being the committee's guest this morning.

Senator JACKSON. Thank you, Senator Bush. We are very pleased to have you here as a member of the Armed Services Committee.

Mr. Lovett, you mentioned frills in our society during the course of your comments here this morning. Would you care to comment a little more on that? Have you any illustrations?

Senator MUNDT. And staying out of the field of agriculture.

Mr. LOVETT. Yes, sir.

I had found frills in the military departments which were objectionable in my time. I had in some fashion, perhaps unfairly, attributed such things very largely to government. But I do not think that they are.

When I returned to civilian life, and particularly more recently, I found the most extraordinary examples of what seems to me to be a deterioration in either our national sense of proportion or our national sense of humor.

For example, in December, as you all know, I think you receive catalogs through the mail that are usually addressed simply "Box-holder," or something like that, so you have no defense against them at all. They are just there in your mail. They come from stores scattered around the country and they have the most appalling list of suggested presents, ceramic things shaped like Buddha, and you put grass seed on it and it grows hair, or something.

I found in them what seemed to me most pertinent and devastating examples of what is happening to American civilization—perhaps a definite indication of the approach of sense-of-value decay. Although it was not necessary in my case, I received for Christmas a small tool that was about the size, at its handle, of an electric flashlight battery. It had a rod that stuck out of the handle and a loop on the end of it, and a button. This was a drink stirrer, a portable drink stirrer. You carried it around with you and if you were so weak and debilitated a member of the public that you couldn't put your finger in your drink or otherwise agitate it, you would use this gadget.

That was one of three that I have added to my collection. I have two others. One is a foam rubber, electrically vibrated finger for use in massaging the gums. It is rather an attractive item. Its appeal lies in the fact that it looks extraordinarily like a finger. A good deal of time and effort went into the design, engineering and manufacture of that product.

The third I am not too proud of—I think the others are somewhat better. It is motor driven, portable electric battery powered manicure burr with six attachments. You press the button and you can do practically anything you want to in the form of manicuring.

If these things represent the amount of time and effort which I think any miniature product does, then I feel reasonably sure that there is excess engineering talent, time and productive capacity to do those things which have a greater importance to us nationally.

Senator JACKSON. Perhaps it is an example of how soft we are getting in some ways, Mr. Lovett?

Mr. LOVETT. That is what depresses me.

Senator JACKSON. Senator Bush.

Senator BUSH. Mr. Chairman, I will raise a question.

I do not know whether Mr. Lovett is prepared to deal with it this morning, but since your leaving the Government in 1953, in January, you have been connected in an advisory capacity with our Central Intelligence Agency from time to time.

I do not know whether Mr. Lovett is presently in that capacity or not. But this organization has taken on very greatly increased importance to us, and in view of your own testimony, certainly I am sure you would agree with that statement. It is a very sensitive area for discussion.

I think we might be missing an opportunity if we did not ask you if you would care to comment this morning on any aspects of the Central Intelligence Agency and its work, the quality of its work, dependability, coverage, whatever you would care to say about it.

I would not press any question upon him because of the sensitive nature of it.

Senator JACKSON. Senator Bush, under the rules adopted by the committee, this is something we would discuss in executive session for two reasons: (1) it is sensitive; and (2) the agreement worked out by the chairman with the President has certain guidelines that relate to the National Security Council. Inasmuch as CIA does tie in with the National Security Council and inasmuch as Mr. Lovett is a former member of the National Security Council, I think we would defer the matter to executive session.

If Mr. Lovett wants to make a general comment on whether the agency is doing a fine job or not, I think that is entirely in order.

Senator BUSH. Mr. Chairman, in view of your statement, I wish to withdraw the question. I think it is entirely proper that it should be heard in executive session. I withdraw the question.

Senator JACKSON. It would be proper if Mr. Lovett would like to make a general comment on whether he feels the agency is doing a good job or not.

Mr. LOVETT. Senator Bush, I can answer that in general terms, I think, without departing from the strict guidelines.

I have observed the operation through the President's Board of Consultants on Foreign Intelligence Activities now for, I think it is, 3 years, and in my opinion its improvement over the time when I formerly knew it more intimately has been remarkable. I would consider it today a very reliable, high-grade arm of Government.

Senator JACKSON. Mr. Lovett, would you say that the caliber of men in the organization is quite good?

Mr. LOVETT. The caliber that I come in contact with is better than good, sir. They are exceptionally high grade, intelligent, and devoted men, and I think they are determined to improve all the time, which is a desirable trait.

Senator JACKSON. The Chair would like to state that he has been observing briefings from the CIA for 11 years. In my judgment, at least, they are doing a fine job. I think their presentations have been intellectually honest. They have been courageous. I think they have really done an outstanding job under, at times, very difficult circumstances.

Senator MANSFIELD. If the chairman will yield there, I would like to say as one who has endeavored for years to establish a joint committee to oversee CIA, that I thoroughly agree with what you have to say; that I have a high regard for its head, its activities, its personnel, at least those that I know, and that in my attempts to set up this joint committee it was not for the purpose of subjecting the CIA to any kind of an inquiry or investigation, but, as a matter of fact, to safeguard it and to furnish it an outlet in the Congress similar to the outlet that the Joint Atomic Energy Committee has.

Senator JACKSON. I quite agree with the Senator.

Mr. Lovett, there are one or two other questions before we go into executive session.

I wonder if you think it might be desirable to bring the Secretaries of State and Defense into the budget process before the initial, overall ceiling is established. What do you think of that?

Mr. LOVETT. I think that is terribly important, Mr. Chairman. Actually, the determination of size, it seems to me, is empty unless it takes into account the basic needs of the country, and the basic needs of the country obviously have at their head the ability to survive in a national security sense and in other aspects related to it.

So I would say emphatically that they ought to be cut in on the discussion before the budget figure is determined.

Senator JACKSON. In this same area of the budget, what improvements do you think we could make in the budgetary process insofar as it affects national security? Do you have any additional thoughts on this point of the role of the Bureau of the Budget, how we can improve the whole budgetary process to prevent interdictions by the Department in areas where there is some question as to their competency to pass judgment?

Mr. LOVETT. Mr. Chairman, I think there are two fields that I feel reasonably confident in expressing an opinion about. The first of those is that I think that the 1-year budget system is inadequate in many cases and in a sense is detrimental to both the congressional and executive branches in their attempt to make a policy effective.

I think that in any experimental development program involving research and the awkward period during translation of research into an actual item, funding it for 1 year is unrealistic. I think we need to have something longer in order not to have to reset sights and suffer the vacillation which ensues.

One of the most painful things that an executive goes through in the Government departments is the change of program while you are right in the middle of it. You lose momentum and you delay the

output. So I would say we need some form of budgeting for certainly half of the period of gestation of any new weapon, which used to be in the order of 5, 6, or 7 years—about 5 years to take the low side.

That would mean, say, 2 to 3 years of funding for some approved experimental research and development purpose. That would be the first area.

Another thing that seems to have become something of a habit which started in my time—and I observe that it has gone on since—is the so-called stretchout. I am afraid that the Bureau of the Budget has forgotten what a stretchout really can do and cannot do.

If you have sound economic or social reasons for delaying the delivery of certain end products now currently in production, developed and in the line, then I think it is acceptable after appropriate investigation. But when you stretch out, or attempt to stretch out an experimental and research project, particularly when it is an attempt to transfer basic research into some experimental item, the moment you attempt to stretch that out all you are doing is absolutely guaranteeing that you are going to get an obsolete or at best obsolescent item. That is the point at which you should try to compress time, not expand it.

Senator JACKSON. Then if you want to limit production of that item afterwards, that is something else again.

Mr. LOVETT. That is a different matter.

Senator JACKSON. But living as we are in an age when security depends a great deal on scientific achievement, time becomes of the essence in trying to develop a weapons system that can provide reasonable national security.

Mr. LOVETT. That is correct, sir.

Senator JACKSON. The Russians certainly, from all we read about them and from what we have learned by experience, have done some remarkable things in reducing lead time in production, and in achieving new weapons systems in a very limited period of time, have they not?

Mr. LOVETT. Yes, sir; they have.

Senator JACKSON. Are there any further questions?

Mr. Lovett, we wish to express our deep appreciation for your fine presentation. In connection with the need for getting good people in Government and staying in Government, Mr. Lovett, you have set an example for other people to follow, having devoted 20 years, almost continuously, to public service either in an active or advisory capacity, in addition to your service in World War I.

You are the example that we can point to for other people to follow. Some way, somehow, you found a way to do this.

Mr. LOVETT. Yes, sir. I was lucky, though.

Senator JACKSON. You did not do it all by luck. You had to extend yourself and go out of your way in order to serve your country, both in peace and in war. I think you are to be commended highly.

The Chair would like to state that tomorrow the witnesses will be Mr. Robert C. Sprague, chairman of the board and treasurer of the Sprague Electric Co.; also chairman and agent of the Federal Reserve Bank of Boston. He served as codirector and then director of the Gaither Committee, appointed by the President to survey national security problems in 1957.

The other witness tomorrow will be Dr. James Phinney Baxter, president of Williams College. He won the Pulitzer Prize in history for "Scientists Against Time" in 1946, and served as a member of the Gaither Committee.

Those will be the two witnesses tomorrow in public session at 10 o'clock.

We will go into executive session for a very brief period.

(Whereupon, at 12 noon the subcommittee proceeded in executive session, to reconvene in public session at 10 a.m., Wednesday, February 24, 1960.)

ORGANIZING FOR NATIONAL SECURITY

TUESDAY, FEBRUARY 23, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY OF THE
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.
EXECUTIVE SESSION

The subcommittee met in executive session at 12:05 p.m. in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senator Jackson.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council; and Robert Berry, representing Senator Karl E. Mundt.

Senator JACKSON. The subcommittee will be in order.

Now, Mr. Lovett, we turn to your comments regarding the National Security Council, and this testimony, of course, is being taken in executive session, in accordance with the guidelines which I believe I made available to you some time ago and discussed with you.

Mr. LOVETT. Yes, sir; you did.

Senator JACKSON. You may proceed and make any comments you care to make in accordance with those guidelines.

STATEMENT OF ROBERT A. LOVETT, PARTNER, BROWN BROTHERS, HARRIMAN & CO., CHAIRMAN, EXECUTIVE COMMITTEE, UNION PACIFIC RAILROAD CO.

Mr. LOVETT. Thank you, sir.

I mentioned in the prepared statement for the open hearing the matter of split papers and differences of opinion. I would like to pick that up and restrict myself very largely to that area in the National Security Council.

The size, the organization, and perhaps even the purposes of the National Security Council have so changed and increased that I do not feel competent to answer the "questions in dispute" posed by the interim report.

Since the National Security Council was designed for the use of the President and was meant to be a help in determining an integrated national security policy, its organization clearly should conform to his wishes and meet his particular work habits.

In earlier testimony, however, I referred during discussions of problems in the Department of Defense to the matter of so-called

"split papers" and, with your permission, I should like to complete that point in executive session.

Since perfectly legitimate and, occasionally, valuable differences of opinion develop in Joint Chiefs of Staff papers, so also do different points of view or emphasis cause disagreement between, say, State and Defense on some proposed plan of action or policy.

In the early days of the National Security Council, as procedures were being worked out by the cut-and-try method, a basic purpose of the agency was to provide a kind of "Court of Domestic and Foreign Relations" before which, with the President presiding, both Departments could present their views, debate the points, be subjected to cross-examination, and so on.

The purpose was to insure that the President was in possession of all the available facts, that he got firsthand a chance to evaluate an alternative course of action disclosed by the dissenting views, and that all implications in either course of action were explored before he was asked to take the heavy responsibility of the final decision.

The President has, I think, a better chance of getting these factors with a minimum of fuzzy compromise if he gets them fresh from the vigorous staffs of the departments charged directly with both planning and operations in these special areas of concern.

The relatively small number of officials attending the first meetings made it easier to handle such matters. Furthermore, both Department heads were directed to bring before the National Security Council only matters of some special importance, all others being handled in the two appointments reserved weekly for the Secretaries of State and Defense or in the Cabinet meetings.

Senator JACKSON. Mr. Lovett, do you think the Security Council can operate effectively as it was designed originally if you have a large number of participants?

Mr. LOVETT. I would have very grave doubts about its ability to operate in a mass atmosphere. I think it would inhibit frank discussion. I think it would be an embarrassment as regards the vigor with which a man might want to defend his position. I think it would limit the quality of the debate which the President ought to hear.

Quite apart from those considerations, which would be adequate in my mind, the more people you get into one of those things, the more chances of loose talk. I would not go so far as to say that it would create a leak, but certainly it does not promote security.

Senator JACKSON. And it is questionable whether it is really necessary.

Mr. LOVETT. I doubt very much whether it is necessary.

Senator JACKSON. You were in on the early days of the NSC. You were, as a matter of fact, in the Government when it was set up in 1947, and I believe participated in various capacities in the formulation of the National Security Act.

Is that not correct?

Mr. LOVETT. Yes; in the discussions which preceded it.

Senator JACKSON. Essentially, the National Security Council, and the National Security Act setting it up, represented a codification of our wartime experience, did it not?

Mr. LOVETT. Yes, sir; it did, and particularly it was an attempt to translate into our form of operation some of the benefits we saw from the British system.

Senator JACKSON. With that background, then, was it your understanding that the NSC should be rather limited in size in order to be effective?

Mr. LOVETT. Yes, sir; it was. Secretary Forrestal was one of the leading spirits in attempting to do two things: (1) to get this form of "court," in effect, over which the President would preside, so that you could get a decision in the light of all the facts; and (2) a hope which was implicit in the act as it came out of Congress, but quite explicit in the original recommendations, was that it would promote staff continuity.

This group was, regardless of changes in the administration, to have fundamentally in it a hard core of trained, continuous public servants who might assist in the presentation of the points of view of their particular departments.

Senator JACKSON. Now to turn to this question of the jurisdiction of the NSC: Do you think it should confine itself to a few important issues as opposed to having a lot of issues brought in?

Mr. LOVETT. Yes, sir; I do. I think the fewer the better. The National Security Council process, as originally envisaged—perhaps "dreamed of" is more accurate—contemplated the devotion of whatever number of hours were necessary in order to exhaust a subject and not just exhaust the listeners.

It was, I think, fairly productive in the early days. I recall with some sense of discomfort, because I usually was not as persuasive as I would like to have been, the debates in which I engaged with the Secretary of State at that time. They were hearty and covered the subject rather fully.

Once the decision was made, Mr. Chairman, and I think this is an important point, the subject was dropped. That was that. You had your orders. You went out and did your job.

I think the only field in which the NSC permanent staff was, after the decision, called upon to act was really an extension of the White House function of following up. I believe that that particular function, if you will call it an audit of performance, is a very necessary and admirable thing in Government, and, of course, it is one, as you know far better than I, of the principal contributions which an astute congressional committee can make to the executive branch.

Senator JACKSON. And the OCB apparently is the instrumentality at the present time that is supposed to implement the orders worked out in the NSC.

Mr. LOVETT. Yes.

Senator JACKSON. Do you think the National Security Council should be closely tied to the budgetary process? In other words, shouldn't the NSC have some vital role or part in the determination of the budget as it pertains to matters within its jurisdiction?

Mr. LOVETT. As presently organized, Mr. Chairman, it seems to me to be a rather amorphous thing. It is a little bit too large to take the precise line which is needed in dealing with the budget. But insofar as it is a meeting place for the Department of State and the Department of Defense, it might offer an excellent vehicle, at least to get their points of view.

Once you get the other agencies of Government involved in it, I think it reduces the impact of both State and Defense on the expression of national needs.

Senator JACKSON. I take it from your statement that, based on your own experience, you believe in debate before the President in the NSC so that the President will have the opportunity to make a decision based on sharp, clear, and understandable alternatives.

Mr. LOVETT. I think it is a real disservice to the President not to debate matters of some importance before him, because it denies him in those circumstances, the possibility of seeing an alternative or an obstacle. It forces him to look down the full length of the hard road and not simply the first few steps of it.

Senator JACKSON. In other words, the President has the constitutional responsibility as Commander in Chief and as head of the Government to make decisions in the area of national security. You do not necessarily lighten the load of the President by bringing to him agreed-upon papers where no decision is involved, other than to say "We will go ahead with this."

Don't you think there is confusion on the point that there is a tendency to help the President, to lighten his load, by trying to do his constitutional work for him?

Mr. LOVETT. I do.

Senator JACKSON. Isn't this a danger?

Mr. LOVETT. Yes, sir. I think the President in his own protection must insist on being informed and not merely protected by his aides. I think that is abundantly apparent in the desire of all of the younger assistants, myself once included in that area, to try to keep the bothersome problems away from your senior's desk.

I think that is very unfair to him in many cases, and it is something that General Marshall simply would not tolerate. I think that is the only occasion that I recall in which he regularly got very vehement about things.

Senator JACKSON. Mr. Lovett, this is Mr. Pendleton, minority counsel, who has some questions.

Mr. PENDLETON. I have two questions.

On the meeting of the National Security Council, do you believe it would be more advisable for the President to be present at those meetings and hear the debate or to receive, afterwards, the recommendations and findings of the National Security Council?

Mr. LOVETT. I think he ought to be there, because so much of the feeling of the intensity of the support comes through when you sit and listen to it yourself. It is a little bit like your own profession where it is much better to have the judge sitting up there and hearing the arguments with a chance to question than it is to have the cold, printed brief put before him and then ask him to make up his mind.

Senator JACKSON. It is the ancient advantage of cross-examination to elicit the truth and to get facts out that might not otherwise appear in a unilateral presentation.

Mr. LOVETT. Yes, sir.

Mr. PENDLETON. Second, Mr. Lovett, do you feel it would be helpful in this budget process, tying in the relationship of National Security policymaking, to have the Director of the Bureau of the Budget a statutory member of NSC?

I believe at present he attends the meetings, but is not a statutory member.

Mr. LOVETT. No, sir; I do not think he should be a statutory member. My conception of the budget process is colored perhaps by my civilian, nongovernmental background.

It seems to be that the budget is a procedure. The budget is a device. It is one of the tools that the Executive uses to maintain control, through controlling the purse strings. The second aspect of it is that it is a procedure to require forward planning, so that you think ahead and do not spend all of your money in the first 6 months and have none for the payroll in the last 6 months. So I think the financial officer normally should be a consultant and a participant, but not a decisionmaker.

Mr. PENDLETON. Thank you.

Senator JACKSON. Thank you, Mr. Lovett, again. As I expressed our appreciation in the open meeting, I reiterate our appreciation for the time you have taken out from your busy business life to assist this committee.

We will call on you again for some more work, because I am sure that this is the kind of an undertaking that will take some time to accomplish.

Thank you very much.

Mr. LOVETT. I am very much obliged to you, sir.

Senator JACKSON. This transcript will be treated as confidential at this time. It will not be released until such time as an understanding has been worked out with the executive branch in accordance with the guidelines.

The subcommittee will stand in recess until tomorrow at 10 a.m.

(Whereupon, at 12:25 p.m. the subcommittee recessed, to reconvene in open session at 10 a.m., Wednesday, February 24, 1960.)

ORGANIZING FOR NATIONAL SECURITY

WEDNESDAY, FEBRUARY 24, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY OF THE
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m. in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Mundt, Muskie, and Javits.

Also present: Senators Robertson, and Stennis.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

First, the Chair would like to express its appreciation for the presence here this morning of Senator Stennis, a member of the Armed Services Committee and the Appropriations Committee, who is deeply interested and concerned about this whole problem of national security.

We are very grateful for your presence.

Senator STENNIS. It is my privilege.

Senator JACKSON. This is the second public meeting of the Subcommittee on National Policy Machinery of the Senate Government Operations Committee.

The Senate of the United States has unanimously requested our subcommittee to provide nonpartisan and objective answers to two questions of great importance to the future of our country.

First, is our Government now properly organized to meet successfully the Soviet-Sino threat and the overall challenge of the cold war? Second, to the extent this is not so, what corrective steps should be taken?

Our subcommittee has been studying this twin problem since the end of the last session of the Congress. This week, through the medium of public hearings, we are seeking the counsel and guidance of distinguished Americans who are "organizational wise men."

We are asking our eminent witnesses to discuss the total challenge confronting our country today and in the years ahead as it relates to organizing for national security in freedom. These are stage-setting hearings, intended to furnish background and perspective for subsequent hearings directed toward tangible improvements in specific problem areas of the policy process.

The two witnesses to appear today have remarkable backgrounds of experience in the field of national security.

Our first witness, Mr. Robert C. Sprague, is now chairman of the board and treasurer of the Sprague Electric Co. He has served as a consultant on continental defense both to the Senate Armed Services Committee and to the National Security Council.

He also served as consultant to the Killian Committee in 1954 and 1955. He served also as codirector of the Gaither Committee, which was appointed by the President to survey national security problems in 1957. When Dr. Gaither left, he was sworn in as Director of the Committee.

Our second witness, Dr. James Phinney Baxter III, is president of Williams College. Like Mr. Sprague, he also served as a member of the Gaither Committee. He held Government posts of high responsibility during the Second World War. In 1947 he was awarded the Pulitzer Prize in history for his book, "Scientists Against Time," the story of our country's scientific effort in World War II.

As the members know, we have agreed with the President that testimony—

by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session.

We have notified our witnesses accordingly.

In view of the fact that both of today's witnesses served on the Gaither Committee, I should also like to remind the members that President Eisenhower, in a letter to Senator Johnson of January 22, 1958, invoked the claim of "executive privilege" in withholding the Gaither report from the Congress.

This fact, of course, does not prevent our witnesses from giving testimony concerning their personal views about national security problems and issues.

Our first witness this morning will be Mr. Robert C. Sprague. Please come forward.

Before you proceed, I want to welcome Senator Robertson who is with us today. He is a member of the Appropriations Committee and, like Senator Stennis, he serves on the Subcommittee on Defense Appropriations.

We are glad to have you, Senator Robertson.

Senator ROBERTSON. Thank you, Mr. Chairman.

The junior Senator from Virginia is very much concerned over whether or not we are taking adequate steps for a proper defense and protection of our security.

Senator JACKSON. Thank you.

Mr. Sprague, I believe you have a prepared statement. You may proceed in your own way.

**STATEMENT OF ROBERT C. SPRAGUE, CHAIRMAN OF THE BOARD
AND TREASURER, SPRAGUE ELECTRIC CO.; CHAIRMAN AND
AGENT, THE FEDERAL RESERVE BANK OF BOSTON**

Mr. SPRAGUE. Mr. Chairman, I welcome this opportunity to talk to your committee. The subject you have asked me to cover is one to which I have given a great deal of prayerful thought during the past 7 years and concerns matters about which I feel very strongly.

Advancing military technology is rapidly precipitating us into an unstable security position. The problems we now face and will

increasingly face in the years ahead make it most important that some significant changes be made in our organization for security.

In my prepared statement I wish to emphasize six major points:

First, the Nation faces a clear and imminent threat to its survival, but we have not yet fully awakened to this very unpleasant fact.

Second, the Nation can and should do much more to put its back into the job of meeting the threat. We certainly have the resources to do those things required for our survival, provided we allocate them wisely.

Third, key officials concerned with our national security frequently do not have all the facts they need to make many important decisions, or they have the wrong facts.

Fourth, I believe our key officials, particularly the Secretary of Defense, need better staff assistance for securing objective military advice.

Fifth, the Congress should, by appropriate legislation, give the President and the Secretary of Defense more flexibility in assigning roles and missions to the three services and to the Marines.

Sixth, the Congress could and should play a more active role in stiffening our response to the Communist challenge.

On the first and second points:

I do not wish to speak at length about the challenge we face. This is a subject on which others have expressed themselves with great authority before this subcommittee.

It is said, with some justice, that generals prepare for the last war, especially if they happened to be on the winning side. Civilians may make the same mistake.

I suggest that Mr. Khrushchev does not make the same distinctions between peace and war that we do. The Communist views life as a struggle to be waged all the time until final victory has been achieved. He chooses his weapons in light of his opportunities. If it is advantageous, he will use military force. But if a means short of military force seems more advantageous, he will use that means.

One of our basic problems today stems from the failure of most Americans to realize that we have actually been at war with the Communists, in their sense of the word, since 1946. We find it comfortable to think that peace is the norm, that situations like Korea and Berlin are variations from the norm. The truth is that since 1946 war has been the norm. We are very slow to appreciate that very distasteful fact. And that is why, although we have done much, we have not done a great deal that urgently needs to be done.

World War III, in the sense of a thermonuclear holocaust, may never come. Indeed, to be prepared for it is the best means to avoid it. But if the test of war is not whether there is shooting, but whether someone is trying to defeat us, we are fighting World War III right now, and we could lose it without a shot being fired on either side.

I think that Mr. Khrushchev has a very simple view of history. It can be put into three words: Power is supreme. He plans to win by being more powerful—militarily, economically, psychologically.

This ambition is supported by—

(1) A high degree of centralized control and great power over the Soviet people achieved by the small, ruling group in Russia, probably the greatest such control over a vast population in history.

(2) The obvious ruthlessness with which the Russian hierarchy is willing to act to carry out its plans and programs; for example, Hungary.

On both these points, the subcommittee's study of "National Policy Machinery in the Soviet Union" also provides ample documentation.

(3) The rapid industrialization of Russia and the success of her controlled economy.

(4) The high percentage of her total economy being directed into military effort.

Our figures indicate that Russia's gross national product has been growing at a rate of 6.5 percent a year—twice our rate. Her massive military machine has been built with a GNP less than half that of the United States. Russia could do this only because she was willing to put some 25 percent of her GNP into the military sector, as against some 9 percent of our GNP going for the same purpose.

We seem to have accepted a policy limitation that we are not going to put more than about \$40 billion a year into our military effort. In 1957, when the Soviet GNP was \$20 billion less than it is now, their effort approximately equaled ours. This is their military effort.

There is no solid basis to argue that the Soviet economy will not continue to grow at its present rate. We cannot assume that they will not continue to plow at least 25 percent of their GNP into military effort as they have been doing for the past 8 to 9 years. And they will still have enough left to meet minimum domestic needs and wage economic warfare abroad.

If, for the 10 years ending in 1967, using 1957 as a base, Russia continues to increase her military position by 6.5 percent per year, while ours remains fixed at \$40 billion per year, then we will obviously fall far behind in relative military strength.

It takes two to make peace, but only one to make a fight. We did not and do not want this contest with the Soviet Union. But Soviet policies leave us no alternative. We must either outperform them in the cold war, which includes as an essential element adequate military preparedness, or pay the price.

The price is defeat, perhaps in war if the military balance swings too far against us, perhaps without war. I do not think Mr. Khrushchev wants war if he can avoid it. No sane man would. Rather, he wants to establish a dominant power position so that he can have peace—on his terms.

Now let us examine our response to the Soviet challenge. We are using less than 10 percent of our gross national product for all national security purposes, and the percentage is declining. Per capita disposable income—the amount we have left after paying taxes—is at an alltime high of nearly \$1,900. It probably is \$1,900 this quarter. It has risen about \$325 per person—measured in 1958 prices—during the last decade.

If we were to devote only one-tenth of this increase to national security purposes, it would permit an increase of over \$5 billion per year in our programs for national security.

We can see that the idea that an increase in spending for survival will bankrupt us is, to put a plain word on it, silly. The question is whether we are willing to use a small fraction of our increased wealth for the defense of our way of life.

All of us know how the total budget has always been prepared—except in shooting wars. First, a budget ceiling is determined. This rests upon a judgment about national income, taxes, and Federal debt, and the most recent levels of Government expenditures.

Once the total budget ceiling is set, the more or less fixed costs of domestic programs are subtracted. What is left is available for national security. Only in time of shooting war do we begin by asking, "What do we need?" The rest of the time we tailor the defense program to fit the budget. The ceiling is usually an arbitrary judgment figure.

The point I am trying to make is that whatever this country really needs to do, this country can do. This may involve implementing an effective nationwide fallout shelter program to save 40 million to 60 million to 80 million Americans if we are attacked, or "hardening" and protecting SAC bases and planes so they will not be destroyed or rendered unusable by relatively low overpressures and fallout from near misses of nuclear weapons.

It may mean maintaining an airborne alert of B-52 bombers to insure SAC's ability to retaliate massively, or acquiring greater limited-war capabilities than we now have, or some appropriate combination or extension of such measures.

It is just utter nonsense to believe that we cannot do the things that we need to do to survive, to win this contest. We cannot be sloppy about it or careless about it; we cannot do the same thing several times over, but we certainly can do all the things that need to be done to assure our survival and to assure winning.

One point recently developed by competent economists has been a surprise to my business friends, and has to do with our national debt. I have been a conservative Republican, and also responsible in a small way as chairman of the Federal Reserve Bank of Boston for maintaining a stable economy, but it is an interesting fact, not always understood, that we operate in this country not only an equity economy, but also a debt economy.

There has been, since 1900, a reasonably constant ratio between total debt, including Federal, State, local, and private debt, and the gross national product. This ratio has averaged 1.98 during the period, and is estimated to be 1.85 for 1959.

It is interesting to consider the elements of this debt structure. Every time the Federal Government has decided that it was a good thing to reduce national debt, the other segments of debt had to accelerate and expand more rapidly as the economy expanded, so that the Federal debt alone is not sacrosanct. There is no indication that the economy would materially suffer if it had to be increased further. I am not recommending that it be increased, but simply pointing out that a necessary increase should not be considered a block.

Of course, no taxpaying citizen enjoys spending money for defense. But we are not competing with the Russians to have fun. This is not a game to be played over again some other day. We can only play once, and that once is "for keeps."

As to the third point: Perhaps the most serious weakness of our system is that key officials often do not have available all the facts necessary for basic policy decisions. I have found in my personal experience that important and influential men, close to the President,

did not have vital information. Barriers to communication within the Government are high and complicated.

Because the men at the top are busy, the practice called "briefing" is increasingly used to impart to them important information. Excessively and unwisely used, the "briefing" practice can be a serious threat to the Nation's security. Even the best briefing is no substitute for homework. The man who does not have time to do his own reading of really basic studies and policy papers and reflect on them has not assigned proper priorities to the demands on his time.

Furthermore, a man who does want to do his own reading of important basic material often has trouble getting access to the necessary classified documents. Few, if any, persons except the President have access to all classified material.

Many times, in my opinion, the "need-to-know" rule is given an excessively narrow interpretation. Those who should know are not informed. The result is that advice to top officials is all too often drawn up in the half-light of inadequate, inaccurate, or incomplete information. Important facts may not be passed on to them because their relevance to an important decision is not evident without other pieces of the puzzle.

The time has long since passed when information could be neatly cataloged and pigeonholed. Literally everything affects our survival. We must search for ways to bring all information relevant to our problem of survival to the attention of those who make decisions. For a President or key officials to be uninformed or misinformed is usually far more dangerous than the risk of a possible security leak.

Now to the fifth point: When it enacted the National Security Act in 1947, with the 1949 amendments, the Congress, among other things, explicitly defined the roles and missions of the three services and the Marines. The President and the Secretary of Defense urgently need, many believe, much more flexibility than permitted by the Act to modify and adapt the roles and missions of the services to the changing technology of weapons and weapon systems, and resulting changes in military strategy and tactics. This might also be accomplished by giving the Secretary of Defense greater financial flexibility between the services.

I would like to comment briefly on the serious problem of competition between the services for money, programs, and prestige.

I believe in reasonable competition between the services, but the Secretary of Defense urgently needs a "command post" type staff, of our most capable and best trained officers, freed from particular service allegiance.

One way to implement this suggestion might be to pick graduates of the National War College, who would be selected annually and equally from each of the three services, and permanently transfer them to a top level planning staff after they have served a year with each of the other two services.

Members of this staff would serve only the Secretary of Defense without further identification as to service, with a common uniform, and a continuing promotion solely at the discretion of the Secretary of Defense. These men could also be later available for assignment to high posts in unified commands.

Finally, if you will permit me to say so, the Congress is not playing the role it could and, I think, should play.

The record of the Joint Committee on Atomic Energy illustrates on the whole what a fully informed and well staffed congressional committee can contribute. On more than one occasion it has stimulated the executive branch to act on matters that seemed to have been neglected.

The President has, and must obviously retain, the key role in making and executing foreign and defense policies. But he might be greatly assisted if a Joint National Security Committee of the Congress, equally representative of both parties, were monitoring information relating to national security policy.

Special committees of the Congress have repeatedly demonstrated their ability to safeguard sensitive material and to handle it responsibly. Congress now receives, in one way or another and in bits and pieces, highly classified information on questions of defense and foreign policy, and not infrequently makes responsible use of such knowledge to bring matters to the attention of the President and his principal advisers.

In a time when the sheer volume of information is so large that no one can possibly digest all of it, the monitoring of information by an independent group, such as a responsible bipartisan committee of the Congress, would help to insure that significant items of information were brought promptly to the President's attention.

A unanimous or nearly unanimous recommendation of this committee would probably also have great weight with other Members of Congress and with the public.

As things now stand, the Congress must pass on legislation relating to most aspects of foreign and defense policies—certainly on all that involve appropriations—but it must do so with inadequate information about the relation between national strategy and force requirements, about the roles and missions of the Armed Forces, about the links between foreign policy and the political, economic, and the other means available for pursuing our goals.

The reason that the Congress might play a useful role of this sort is precisely that it is independent of the President and the executive branch of our Government. The Congressman stands in an entirely different relation to the President from that of the Secretary of State or the Secretary of Defense.

It is time to take advantage of this fact by giving a carefully selected and well staffed congressional committee an opportunity to read, study, and reflect upon problems of national security on the basis of a full exposure to a large body of information now available only to the executive branch.

Because of its constitutional role in legislation, the Congress must have a right to this information. More important, however, the Nation might greatly benefit from such an independent check on what we are doing and why—a check less in the sense of a restraint than in the sense of a stimulus to act when action is called for in the interest of national survival.

That completes my statement, Mr. Chairman.

Senator JACKSON. Mr. Sprague, I want to compliment you on a very fine, objective statement. I want to say what I said yesterday to Mr. Lovett, and that is that I, for one, have a great appreciation and respect for people in the business community, such as yourself, Mr. Lovett, and others, who take time out from their business life to

devote time without hesitation to problems affecting the survival of our country.

You stand in what I think is coming to be and I hope will be a great, new tradition in this country, somewhat after the British tradition. Everyone in England during its long period of world responsibility felt from the time they entered school, and all their lives, a responsibility for public service. This was a responsibility that applied to all citizens in the country.

I feel that we are in the same situation now where they were 100 years ago. I think that men like yourself and others deserve the highest commendation for what you have done and what you are doing.

I have just a few questions, and then I will turn this over to my colleagues.

I gather from your statement that in general your attitude is that if our country has to make a greater effort, we can afford to do it in order to survive.

Mr. SPRAGUE. Yes, Senator. I certainly was trying to make that point.

Senator JACKSON. I take it that you feel that the Russians are keenly aware of our shortcomings; that we have in the past demonstrated great ability to organize and to win hot wars, but we are very human in succumbing to prosperity and material things of life, and that it is in this area, indeed, that we may be most vulnerable.

Mr. SPRAGUE. I had the good fortune of reading Dr. Baxter's prepared statement just before I was called on to testify, and he mentions as a noted historian that democracies have never done very well prior to a hot war. This is the point that you just made.

The acute problem today is that in the past we have always had time to rearm. We have had two protective oceans, the Pacific and the Atlantic; we have had the British to help us protect these oceans, in addition to our own fleets. But manned bombers and supersonic bombers and missiles have obliterated this opportunity.

Senator JACKSON. We have had two great allies, have we not, in the past, time in which to mobilize and space and distance to protect us?

Mr. SPRAGUE. That is right.

Senator JACKSON. We have lost those allies forever, apparently, under the impact of modern science and technology. Isn't that about the gist of it?

Mr. SPRAGUE. Yes, Senator.

Senator JACKSON. Do you think, Mr. Sprague, that the threat we now face is likely to diminish or increase in the years ahead; that is, based on your judgment?

Mr. SPRAGUE. I think it is going to increase dramatically in the years ahead, and I view the situation, unless there is an unforeseen change in attitudes in certain areas, that we will be in 10 years from now, 15 years from now or 20 years from now, with horror.

Senator JACKSON. I believe you are a graduate of MIT.

Mr. SPRAGUE. I am really a graduate of the Naval Academy and also of MIT.

Senator JACKSON. Of both the Naval Academy and MIT?

Mr. SPRAGUE. That is right.

Senator JACKSON. And you have devoted a great part of your life to the study of national security, and you have also been actively engaged in business. Your association with the Federal Reserve Bank of Boston has given you some insight, I know, into the practical workings of our economy.

Based on that experience that you have had, a rich one, you have no hesitancy in saying that this economy of ours has enormous strength and capability to compete with the Soviets in most any area of competition if we make up our mind to do it?

Mr. SPRAGUE. This is certainly one advantage, a tremendous advantage, that we have. We still have a very much bigger economy than the Russians. Where we are only devoting 9 percent of our gross national product in the military sector, the Russians, apparently, have allocated about 25 percent. So we have a much greater flexibility in what we do in the years ahead than the Russians have.

Senator JACKSON. I have other questions, but I will defer to Senator Mundt.

Senator MUNDT. Mr. Sprague, I enjoyed very much your presentation. It was challenging. Certainly you have made some very interesting and impressive recommendations.

With regard to your first statement, that the Nation faces a clear and imminent threat to its survival, but we have not yet fully awakened to this very unpleasant fact, I wonder if you have in mind any awakening processes or techniques which perhaps should be employed?

Mr. SPRAGUE. Senator, a citizen like myself, or a group of citizens, can do very little about this. I think there is one man in the United States that can do this effectively, and that is the President. I do not think there is anybody else.

Senator MUNDT. That does not always work. Take a case in point.

You have properly said we have a total effort on the part of the U.S.S.R. We have a sort of fragmentary effort on the part of the United States. The President, for example, has said many, many times that if we are going to succeed in a cold war, we have to tighten up our internal security as well as our external security; that it is not enough to condemn communism abroad and to look at it askance and arm to protect ourselves against it unless we cover our home base.

He has pointed out that in his opinion we need new passport legislation that will protect us against having Communist spies get passports to travel abroad to weaken our position. He said it over and over again. The FBI has said it. But the public has not responded sufficiently for Congress to get the enthusiasm to act. It has been over a year ago and still we have not acted. We need some further awakening process than that, apparently.

What do we do?

Mr. SPRAGUE. This is what I am going to say and it is certainly a personal opinion. I hesitate to say it, but I feel strongly about it, so I am going to say it.

I believe, and this is a personal belief, that the danger is more serious than the President has expressed himself to the American public. I do not know whether he feels this or whether he does not. But I do not believe that the concern that I personally feel has as yet been expressed by the President to the American public. This is a complicated matter.

Senator MUNDT. On the instant case that I brought to your attention, it has been done by a message to Congress. It has been done on radio and television. It has been done in press conferences. What else should be done?

Mr. SPRAGUE. I agree with all of that. I still do not think it has been done in a way that would get across the concern that I personally feel about it. The President very possibly has a different degree of concern, based on information that he has, feelings that he has about Russian intentions, and this is a very personal matter.

All I can say is that I do not seem to sense, in the statements that you refer to, Senator Mundt, the same concern that I personally feel about it.

Senator MUNDT. Would it appeal to you that possibly men like Sprague and men like Mundt could do a lot more to help awaken the country and to say some things that whoever is President might better not be saying because if by saying them we convey to our allies and to neutral countries and to our enemies, the Communists, that we are badly frightened or perhaps weak?

Is there a danger in there being a reverse reaction which is highly detrimental to our security position?

Mr. SPRAGUE. This is a serious problem. Speaking to one of the points that you mentioned, I have personally talked to 30 or 40 individual groups. I do not think this is very effective. I have done all that I can.

Senator MUNDT. It helps, and I know it.

Mr. SPRAGUE. Anybody who has been interested in listening to Sprague's point of view on this, I felt it my obligation as a citizen to respond, and I have. I have yet to turn down a request to do this sort of thing. I say I have given in the past year some 30 or 40 such talks to groups varying from church groups to large business groups, groups from 6 to groups of 400 or 500.

I think it is more important, personally, to face the facts, than to be concerned that either the American public will collapse under the unpleasant news or that this will give aid and comfort to the enemy.

In the first place, on an initial strike basis, we are stronger, relative to the Russians, today than we have ever been or ever will be in the future, I think. We can today move from that position of strength. So if we have some things that need to be done and the American people have to be told, this is the time to tell them.

Our situation today, assuming we are not subject to a surprise attack, and it is very important here that in assessing our strength that we think along two lines: What is our first-strike capability; and what is our second-strike capability, the second-strike capability being the capability we have after we have been attacked if we should be attacked by surprise.

Our first-strike capability, as the President has said, is enormous. It is awesome. I do not believe that our second-strike capability is as awesome, but it is still impressive.

So if there are things to be done, I think now is the time to talk about them and get started doing them. I would be myself in favor of telling the American public what they need to be told, if there is something that they should be told, and I believe there is, than to be concerned that this would give the Communists some satisfaction or some advantage.

Senator MUNDT. I was interested in your discussion of the budget and the expenditures, and your very welcome news to me, at least, that our debt is lower now, really, than it was in 1900, percentagewise.

Mr. SPRAGUE. I said lower in relation to the gross national product. This is correct. You understand, Senator Mundt, I am talking about total debt, which includes not only Federal debt, but State debt, local debt, and private debt.

Senator MUNDT. I was wondering if in advocating, as I believe you do, increased expenditures for the whole military effort, you believe that we should do that by perhaps running up a little bit that percentage of debt to gross national product, or by calling upon the American public to cease trying to defend ourselves against Russia militarily with their spare change; and perhaps some kind of cold-war tax, as we have excise taxes in war, might raise additional funds and might also help convince a lot of Americans that this is a serious business in which we are engaged and that they are participating in it willy-nilly by special taxes, if in no other way.

Mr. SPRAGUE. I support this. The only reason I did not mention the possibility of having to pay a larger tax in my prepared statement is that I think this is so well understood that I did not think it needed to be repeated.

Senator MUNDT. It is a well understood fact that is certainly being badly ignored by Congress and everybody else. I think there some place a little education of the public by fine, financial experts like you would be very helpful, Mr. Sprague.

Mr. SPRAGUE. I would certainly support paying additional taxes, if additional expenditures are required.

Senator MUNDT. That is the way, at least, that the public would recognize that this is serious business. We do that in war. We have all kinds of gimmicks to raise additional money in wartime. I quite agree with you that your definition is superb, that the definition in war is whether we are going to be defeated or not, not how many people get shot, but who comes out victorious.

I am very much impressed about your statement on a Joint National Security Committee of the Congress. It relates itself to a discussion we had yesterday morning with Mr. Lovett, provided this could be a committee which could gather together the members of various committees in Congress concerned with these problems and not become a sixth or seventh committee before which the leaders of the defense and leaders of foreign policy would have to appear day after day and week after week.

The idea is to get someplace where they could really concentrate this information, on your apt analogy of the Joint Atomic Energy Committee, of which our distinguished chairman is a member. I do not know whether this could be done or not, with pride in seniority, pride in position, what the committee assignments will be and so forth in a Senator's life, but it certainly merits very careful exploration, whether there should be some gathering place in Congress for some Members of the Congress, independent of the executive, and bipartisan in nature, as you put it, who would have access to all of these facts and would probably have as much information as the National Security Council has at the other end, so that you bring into focus different points of view.

Have you suggested that around in your speeches that you have been making? What reaction have you had to that?

Mr. SPRAGUE. No; I have not made this suggestion. In fact, when Senator Jackson asked me to appear before this committee, I pointed out that I was not an expert on Government organization, this has not been my area of specialty in this unpleasant area during the past 7 years. I frankly began thinking in terms of organization. This is a relatively new thought to me and the first time I have ever expressed it is before this committee, Senator.

Senator MUNDT. It is certainly challenging and constructive, and deserves careful study. I am sure this committee will give thought to it.

Mr. SPRAGUE. I might enlarge on this point a little. My really concentrated effort in this whole unpleasant area started in October 1953 when I was asked by Senator Saltonstall to make a study of our continental defenses for the Preparedness Subcommittee of the Senate Armed Services Committee. Senator Stennis was a member of this committee at the time.

It came to me as a frightful shock, and this I have discussed with a number of my friends over a period of years, to find out that the Senate committee needed this type of mechanism in order to get access, indirectly, to highly classified information.

This Senate subcommittee really needed two things: Somebody to spend the time, consecutively, which I did for 6 months; and it also needed somebody to have full access to complete security information. I had not realized as a citizen up to this point, not having a reason to look into it, that these classified documents were not being made available to Senate or House committees.

This was a new fact of life. I said to myself something like this: "Sprague, how could you operate the Sprague Electric Co. if you did not have access to all the facts? Suppose you did not have access to your basic books of accounts, your lists of customers, research programs that were being undertaken, and you had to get these by bits and pieces, briefings and whatnot?"

I do not think I could operate a company successfully, competitively, on that basis. Here is the most important issue that we have in the world facing us, and it was difficult for me to understand how Congress performs its proper functions or the appropriate committees of Congress do, without the information being made available to them.

I recognize the difficult problem of security, the problem of need-to-know, and I do not know that my suggestion is the best answer. But it seems to me that certainly there could be a small, compact group of distinguished Members of the House and Senate with access to classified information. I would prefer to see them not chosen by seniority, but to be men who are known for their objectivity, their interest in this area, their willingness to do their homework, who could serve as a joint committee to receive this type of information and to act responsibly on it.

Frankly, as I told Senator Jackson in a preliminary talk that I had with him, I have been, to a slight extent, disenchanted with this idea, when I read the recent report of the Joint Economic Committee, when all the Democrats signed the majority report and all the Republicans signed the minority report.

This is a report that had to do with our economic growth. This is one of the most important national problems. It is inconceivable to me that just the difference in ideology which might determine whether a man is a Democrat or a Republican could bring about this result with an objective group exposed to the same information.

In my experience over the years, and I have worked with many groups that included both Democrats and Republicans, it has been surprising how unanimous has been the final judgment when they are all exposed to the same facts.

So I say I became a little disenchanted when I read this report. But I still believe that the problem of security and survival is one of such outstanding importance that probably such a committee could act responsibly without coming up with majority and minority reports divided by party. Obviously if this results, such a committee would be a waste of time.

Senator MUNDT. Mr. Sprague, you have set two wonderful goals to which to devote our common efforts. If you can eliminate partisanship from political life and find a satisfactory substitute for seniority, you will have made a real contribution, believe me, to the congressional procedures. We have all been working on that some of the time.

But I do agree that where Members of Congress have available the same set of facts, it is not at all incorrect that reports are unanimous, that we proceed without partisanship. However, I would not want to let the record quite stand that Congress is perhaps flying blindly, as your remarks might imply, in this whole business. It is unfortunately true that very few Members of Congress, if any, have access to the whole body of facts.

We have a number of different individuals who have access to all the facts in that area. An Appropriations Committee dealing with defense gets a pretty good picture of that immediate problem. But it might not be well advised on the problems in the State Department, which are closely related to it.

I like your idea of trying to make it possible, through one committee, to have a place to put all the facts, so that we do not have just a lot of narrow experts knowing a great amount of information about a very small subject.

I have one other question and then I will desist, although there are quite a few others I would like to ask.

You say in your statement, properly, I think:

I think that Mr. Khrushchev has a very simple view of history. It can be put into three words: "Power is supreme." He plans to win by being more powerful, militarily, economically, psychologically.

You devote your suggestions pretty much to the military aspect as far as the United States is concerned. I am sure that out of your background and experience, and by what you say in general context, that you recognize that this cold war may well be won or lost in the other two fields, economic and psychological. That was recognized by Lenin a long time ago when he tried to imply that all democracies ultimately would bankrupt themselves. There is not much security to be gained by a spending program which puts us into the red; which destroys the value of our currency by trying to protect our citizenship.

Senator JACKSON. May I interrupt at that point?

Senator MUNDT. Yes.

Senator JACKSON. I am not an expert on this, but I do not think Lenin ever made the statement, according to research in the Library of Congress, that democracies would spend themselves into bankruptcy. That has been said time and again, but we can have it researched.

Senator MUNDT. I think we ought to have it researched.

Senator JACKSON. I will ask the staff to do it. My understanding is that while that statement has been made, it has never been found in any collection of the Lenin works.

Senator MUNDT. It could be one of those strange inheritances like the one we have from Jefferson, who is alleged to have said that government is best which governs least. Somebody said he never said that, either.

Senator JACKSON. I will ask the staff to find out.

Senator MUNDT. Until we can disprove it on the basis of repetition, I would say that I suspect Lenin said it. If he did not say it in so many words, I suspect that he implied it; I suspect that Khrushchev is trying to make it come true if he can.

Senator JACKSON. I am not saying he did not imply it. I am merely saying I do not believe he said it. We will ask the Library of Congress to answer that question.

Senator ROBERTSON. If I may interrupt, I asked the Library of Congress and they said he did not say it. But somebody did say it.

Senator MUNDT. Was he a member of Mr. Lenin's staff?

Senator JACKSON. It may well be that if we have this idea too much that we may not come forth with the strength that we need to survive.

Senator MUNDT. I think contrariwise; if we keep this idea in mind as a possibility, we can set in motion the tax policies and fiscal policies to produce a fully adequate defense while recognizing the fact that the fires of inflation can destroy us in one branch of the house while we are putting a new roof and new paint on the other branch of the house. I think we have to keep it all in mind.

Senator JACKSON. We all agree that we want a sound, stable economy, and we would not want to destroy our strength in an effort to be strong.

(The following memorandum was subsequently received from the Library of Congress:)

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D.C., March 2, 1960.

To: Hon. Henry M. Jackson.
(Attention of Mr. Garside).

From: Foreign Affairs Division.

Subject: Statement by Lenin to the effect that the democracies would eventually spend themselves into bankruptcy.

Since the attached memorandum was written in 1953 many more searches have been made by the Library of Congress, but to no avail. We have not been able to find any original source by Lenin for this statement. The quotation nearest in meaning to that presumed to be made by Lenin which has been found by us and can be attributed to a classical Communist writer was the following statement made by Friedrich Engels:

"Militarism dominates and devours Europe. But this militarism bears within itself the germ of its own destruction. The competition of the separate States with one another compels them, on the one hand, to expend more money every year on army, navy, artillery, etc., therefore, to hasten more and more their financial collapse and on the other hand, to make universal compulsory military

service more and more severe and thus ultimately to familiarize the whole nation with the use of weapons, therefore, to make it capable at a certain moment of carrying out its will in opposition to the commanding military authority" (Engles, Friedrich. Herr Eugen Duhring's. "Revolution in Science." Anti-Duhring. Chicago, Charles H. Kerr & Co., 1935. p. 173).

JULIAN LANDAU.

THE LIBRARY OF CONGRESS

LEGISLATIVE REFERENCE SERVICE

Washington, D.C.

STATEMENT BY LENIN

What was the statement that Lenin made with regard to the possibility that the United States might spend itself into bankruptcy or economic destruction?

Exhaustive searches have been made by the Library of Congress staff to track down this statement, with no success. Letters have been written to people who have used the quotation but the results were not fruitful. We have found references to such a statement but are unable to provide a specific citation for it.

For example, J. M. Keynes, in "The Economic Consequence of the Peace" (New York, 1920), p. 235, writes, "Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the currency." And an advertisement of the Timken Roller Bearing Co. in U.S. News & World Report for October 10, 1952 (p. 19) shows a picture of Lenin in the background and Stalin as his successor. In the foreground beneath is the caption, "We shall force the United States to spend itself to destruction." In citing the source for this quotation the advertisement reads, "The above statement, reliably attributed to Lenin, is reprinted here to remind us all of one of the basic, stated objectives of the Communist Party."

RUTH M. RAUP,
Government Division.

AUGUST 4, 1953.

Senator MUNDT. I will just ask one other thing. I wanted to get your recommendations in the field of the economic and psychological aspects of this cold war.

You have given us a lot of suggestions in the military field, and I know you recognize it is equally important that we enforce our efforts in these other two areas, or reinforce them.

Mr. SPRAGUE. I will respond first to the economic question, Senator.

Several groups of competent economists and businessmen have studied this problem. I will mention two of them—the Committee on Economic Development and the National Planning Association.

They have both studied the impact on the economy of higher levels of spending for defense. If I remember the figures, and I have not read these reports for some time, I think they studied levels of expenditure of \$50 billion, \$60 billion, \$70 billion a year.

You understand that I am not recommending that we spend at these levels, but these were studies as to what the tax situation might be, the debt situation, the inflation situation.

The unanimous findings of these studies with which I am familiar, and I do not know of any to the contrary, is that if we feel that it is necessary, and only if we feel it is necessary, for our military and national posture to spend additional funds in the military sector, this can be carried by the economy without disastrous inflation or without bankruptcy.

Senator MUNDT. Or without additional taxes?

Mr. SPRAGUE. No; not without additional taxes. Additional taxes would be involved. These studies have all been made assuming there has been an appropriate taxing level, and also appropriate fiscal methods. These are all interrelated.

What I am simply saying is that our economy is big enough, resilient enough, and much more competent groups than I have studied this and have come up with the point that our economy is able to support this.

I am really not competent on the psychological front. This is an area in which I have no expertise whatever. I just do not believe I am competent to comment on this. I know this is a problem because the problem is always not what you can do and what you intend to do and what you will do, but it is also what the other man understands you will do, and what you have, and how you will act under certain situations.

Senator MUNDT. And what he understands you have already done.

Mr. SPRAGUE. That is correct. This is a very important area and, as I say, I really do not think I am the person to answer that question, because I am certainly not expert in this area.

Senator MUNDT. Do you think we should plan in terms of a short cold war or a long cold war?

Mr. SPRAGUE. I think we should plan for a short cold war and a long cold war.

I would like at this point, and I wanted to get it into the record anyway, to submit, Mr. Chairman, two documents which I think are very important, nonclassified reading for anybody interested in this important area.

The first document is entitled "The Nature and Feasibility of War and Deterrence." Its author is Dr. Herman Kahn of the Physics Division of the Rand Corporation of Santa Monica, Calif. This is an unclassified document, dated January 20, 1960, and is identified as P-1888-RC.

Senator JACKSON. Without objection, it will be admitted as exhibit No. 1. (See appendix, exhibit No. 1.)

Mr. SPRAGUE. I might comment further that in my opinion, of all the people I have discussed this disagreeable problem with during the past 7 years, Dr. Herman Kahn, who is highly intelligent, very energetic, and who has had access to classified material, who has been immersed in this area for at least 11 years to my knowledge, and who has had the time, objectively to give to it, has thought through this disagreeable problem more objectively and in greater depth than anybody I have personally come into contact with.

His discussions of this problem are much more extensive than this document indicates. He gives an unclassified briefing that runs 2 days, followed by a classified briefing of 1 day. This is a lot of time to take, but it is worth spending this amount of time with him.

What I would like to introduce as exhibit No. 2 is also an unclassified document. The title is "The Report On a Study of Nonmilitary Defense," dated July 1, 1958. It is identified as Report R-322-RC, another report of the Rand Corporation.

I might mention that I have no direct or indirect connection with the Rand Corporation.

Senator JACKSON. It should also be noted that the Rand Corp. is a nonprofit corporation.

Mr. SPRAGUE. That is correct.

Senator JACKSON. Without objection, that will be admitted as exhibit No. 2. (See appendix, exhibit No. 2.)

I have two short questions and then I want to defer to our guests of the committee.

Mr. SPRAGUE. Can I interrupt just a second, Senator?

The reason I introduced the first document, Senator Mundt, is that a lot Mr. Kahn has to say bears on your question of the psychological approach. I commend it to your reading, if you have not happened to have seen it.

Senator JACKSON. I just want to ask two short questions.

Senator Mundt referred to the question of communication, and I agree that there is a problem about discussing these things in public. But what sort of a communication came to the world, do you think, in sputnik, and the ICBM, as far as our prestige and standing were concerned?

Mr. SPRAGUE. I do not think there is any argument. It was extremely dramatic and produced a temporary intensity of effort, I think, which has to some extent been mitigated in recent months.

Senator JACKSON. I have before me a Gallup poll of our allies and friends in Europe, in which they come to the conclusion and say that both in science and in military capability we will become a second-rate power by 1970.

Don't you think this country's prestige as a world power has been hurt by events?

Mr. SPRAGUE. Well, I have seen a lot of comments about this, and I suspect that sputnik was a very dramatic example or illustration of Russian progress in this particular area. This gets into the psychological point that Senator Mundt asked me to comment on. It is an extraordinarily complicated matter.

We have today, on an initial-strike basis, again, the most dominant position we have had, vis-a-vis Russia, I think, since the cold war started. Also, the greatest differential in first-strike power that we will have. But there are many other aspects to this problem.

Dr. Kahn points out in his book that he thinks we have to be much more sophisticated in talking about deterrents. He refers to the type of deterrents that we are attempting to build as type 1 deterrents. This is deterrents against direct attack against the United States.

He then, I think very properly, speaks of class 2 deterrents. These are deterrents against a serious provocation. For example, what our reaction would be if Russia bombed out five capitals of our five leading allies. The third type of deterrents are our deterrents to a lesser provocation, like eliminating a neutral position of Berlin.

He points out that you need additional strengths for the type 2 and the type 3 deterrents which you do not necessarily need in the type 1 deterrents.

Senator JACKSON. Mr. Sprague, what I am getting at here is that there is a distinction between what we can in fact do and what our allies may think we can do. Isn't this true?

Mr. SPRAGUE. That is correct.

Senator JACKSON. And this latter point is what we call prestige. If our friends and allies think we are slipping, the fact that we have now the ability to deter is still not a sufficient answer. We go to summit conferences and diplomatic meetings with the feeling on the

part of our allies that we may be slipping and this, in effect, affects our overall deterrents, does it not, if it is a fact? I am not asking you to say whether it is.

Mr. SPRAGUE. It certainly does. I do not happen to know what the real feeling in England and France and Italy is as to what our action would be in the event they were attacked.

Senator JACKSON. I do not say this poll is accurate.

Without objection, I will put it into the record at this point.

(The poll referred to follows:)

THE GALLUP POLL: 10-NATION SURVEY SEES RUSS AS SCIENCE LEADERS
BY 1970

(By George Gallup)

PRINCETON, N.J.—People in 8 of 10 nations polled believe Russia will hold a leading position in the field of science by 1970.

No matter which country may actually prove to be ahead in scientific achievements 10 years from now, the important fact today—in a world where propaganda is a major cold-war weapon—is that people in many nations THINK Russia will be the scientific leader in 1970.

Only in the United States does a majority expect that the top position in science a decade hence will be held by the United States.

In this country, 7 persons in every 10 think the United States will have the lead.

By contrast, people in France, Great Britain and India believe—by a wide margin—that Russia will take the lead in the next decade.

In Greece, opinion is closely divided.

Nationwide samples of the adult populations in 10 countries were interviewed by Gallup-affiliated organizations.

This question was asked internationally:

"Looking ahead 10 years, which country do you think will have the leading position in the field of science?"

Here are the results from the 10 countries:

Leading position in science?

[Percent]

	Russia	United States	Others	No opinion
France.....	59	18	14	9
Great Britain.....	48	17	21	14
India.....	46	8	7	39
Holland.....	43	22	9	26
Uruguay.....	42	27	16	15
Switzerland.....	40	34	19	7
Norway.....	38	22	9	31
West Germany.....	36	29	14	21
Greece.....	27	29	27	17
United States.....	16	70	2	12

Here is the consensus, or average of the replies from all countries, giving equal weight to each country:

	Percent
Russia.....	39
United States.....	28
West Germany.....	8
Other Countries.....	6
No opinion.....	19
Total.....	100

A key issue in the defense debate today is the relative importance of military strength and scientific achievement.

Concerning military strength, people in 8 of the 10 countries feel that Russia will have a lead over the United States 10 years hence.

Greece is the only other country besides the United States where more people foresee the United States as having the stronger forces by 1970 than think Russia will be so situated.

In Germany, the ratio is 2-to-1 that Russia will be ahead in this department, and the ratio is even greater among the French interviewed.

Here are the results from the 10 nations:

Strongest military forces?

[Percent]

	Russia	U.S.	Others	No opinion
West Germany.....	47	24	9	20
France.....	46	18	26	10
Great Britain.....	44	19	19	18
Switzerland.....	44	30	19	7
Norway.....	39	20	9	32
Norway.....	36	32	13	9
Holland.....	35	32	11	21
India.....	19	11	15	55
United States.....	19	68	3	10
Greece.....	12	27	21	40

Here is the consensus:

Percent

Russia.....	34
United States.....	28
China.....	8
Others.....	8
No opinion.....	22
Total.....	100

(Copyright, 1960, American Institute of Public Opinion)

Senator MUNDT. Will the Senator yield?

Senator JACKSON. Yes.

Senator MUNDT. While we are challenging each other's sources of quotations, I do not think it is quite accurate to say that our allies feel that we are slipping, because this is not a poll of the leadership echelon of these countries involved.

According to Dr. George Gallup, who took it, and who has been wrong on occasion before, it says this: No matter which country may actually prove to be ahead in scientific achievements 10 years from now, the important fact today, in a world where propaganda is a major cold war weapon, is what people in many nations think—and he puts "think" in capitals—Russia will be the scientific leader in 1970.

This is a poll of the people.

Senator JACKSON. Yes, sir. I did not say that they were going to be ahead. This is a subtle distinction. It is what they in fact think. They may be wrong. But if our allies think that we are slipping, does this not have an impact?

Senator MUNDT. I think you have to differentiate, Mr. Chairman, from what our allies may think in the echelons where decision are made and people up and down the street of Copenhagen, Oslo, and Calcutta, who happened to be polled by a Gallup poll taker.

Senator JACKSON. But those people elect their governments.

Senator MUNDT. I think the poll emphasizes this particular aspect of the cold war, which we have not been discussing today, and Mr. Sprague said he was not the man to discuss it, propaganda. I think there should be a better name for it.

I think we have failed to sell the people over there on the fact that we have done as much as we have. I imagine if you were to ask the people of Calcutta, or the people of Athens—and incidentally, both of these are included in this poll—for example, “How many of you believe that the United States is, according to Mr. Sprague—and I agree with you—“is in a stronger position, vis-a-vis Russia today than it has ever been in the history of the world?” you would not find many of them thinking that, because we have not gotten many of these points across, with this psychological job, this selling job, this publicity job.

It is something to which we should increasingly devote our attention, it seems to me, if the good deeds that we are going to do here are going to have the essential impact in the free world to close the ranks against the Communist menace.

Senator JACKSON. I did not raise the point, but you did. You suggested that by raising the defense issue we might raise the point that we were losing our defense position.

Senator MUNDT. Did I say that?

Senator JACKSON. I thought you did. Well, perhaps I misunderstood you.

Senator MUNDT. What I said, Mr. Chairman, was that I thought there was some danger of any President going too far in public proclamations indicating that we are frightened or that we are weak or that we are not doing enough; that it might create an erroneous impression on the part of the other fellow.

Senator JACKSON. Well, that is what I am referring to. My point is that the strongest communication delivered in this century was the first communication by the Soviets of achieving an ICBM and a satellite before we did. I think this, in fact, was a communication to the world that has had enormous impact. That was my only point.

May I ask this one other question: Senator Mundt mentioned the problem of internal security. I think we all agree that we have to be vigilant. We know that the Communists are determined to subvert in those areas that are of importance to them. Let me ask you this:

Do you think as far as the United States is concerned, and I am not talking about any other country, do you think the internal or the external threat is the real threat? By “external” I mean military, political, economic, psychological, the cold war in all its aspects.

Mr. SPRAGUE. Certainly the external threat. If I could have a minute, I would not like to have Senator Mundt interpret my statement without some further qualification.

What I said, Senator Mundt, was that on a first-strike basis, in other words assuming that you are assessing the results from a Russian attack on the United States, an initial attack, against an initial attack of the United States against Russia, I say that in this situation we have the greatest relative strength today that we have had or I think we will ever have in the future.

However, as a national policy, I think we have eschewed preventive war as a national policy. So it may not be as important in the minds of our allies that we have this enormous differential in power on the first-strike basis.

What they should be much more interested in is our position on a second-strike basis. This assumes that we have been attacked or

they have been attacked and we have the problem of deciding what our further action may be, or of determining what our capabilities would be in the event, for example, of a surprise attack against SAC, which is what General Power is concerned about.

So where we have eschewed preventive war as a national policy, it really isn't so important what our initial-strike capability is because we do not plan to use it. But—and this is where fallout shelters and other passive defense measures come in, it really is important as to what kind of an image our allies have as to our determination and ability to carry out the type 2 and type 3 deterrents that Dr. Kahn talks about.

In other words, if our allies are attacked and we are faced with an attack upon American cities, or if our SAC bases should be hit in a surprise attack, either by manned bombers, missiles, or a combination of both, this is the important image of strength that we must create in the minds of our allies, and this is where I think we have not done enough.

Senator JACKSON. Senator Robertson?

Senator ROBERTSON. I have listened to the conversations between you and our distinguished Senator, Senator Mundt, and I cannot contribute much to that. But if we had spent \$1 billion a year less on foreign aid each year and \$1 billion a year more on missiles, there would not be any debate as to who had the superiority.

I wish to congratulate Mr. Sprague for emphasizing a vital fact with which I agree, and that is that our Nation faces a real and imminent threat to our survival and can and should do more than we are now doing to prevent such a catastrophe. In dollars, how much would you recommend?

Mr. SPRAGUE. I have no figure in mind. I think it is significant, Senator. You cannot make an intelligent estimate of this kind unless you are current. My last lengthy concentrated exposure in this area terminated about January 1, 1958. A lot of water has gone over the dam since that time; 15 months later I am not in a position to have a valid opinion on this, and this is too important a matter to give casual replies to.

I am, I think, sufficiently sophisticated in this area to be sure that there are substantial sums involved. A fallout shelter program, which I think is essential to create the image for our allies that we will do what we say we will do, which might save, as I say, 60 million, 80 million, 100 million American lives, if we are attacked, is a very expensive program.

This would run anywhere from \$20 billion to \$25 billion, the total program. If this were expended over a period of 5 or 6 years, this would be an added \$3 billion or \$5 billion a year. But that is only one piece of the problem.

I think our SAC bases should be hardened and protected, as I mentioned in my statement, so they cannot be destroyed or rendered unusable by near-misses. I think there is a whole spectrum of things that have to be considered. Just what this adds up to I do not know, but I am sure it is a significant figure above our present expenditures.

Senator ROBERTSON. The Defense Subcommittee of the Senate Appropriations Committee has not yet had any testimony in executive session concerning classified material. But other committees have had testimony, some of which has, in general terms, been reported to

the press, in which there has been a recommendation that we step up the missile program, that we step up the Polaris submarine program, that we go into the production of the B-70 bombers, the supersonic bombers.

Do you wish to comment on those three suggestions for increased acceleration of defense?

Mr. SPRAGUE. Again, they are a part of the picture. They are all important. They all should be considered. Our defenses, firming up our defenses, is another part of the equation. Our passive defense, as I mentioned, both for civilians and for our SAC bases, the hardening of missile bases, possibly a further dispersion of SAC—this is a very complicated, interrelated problem.

All of these areas that you mentioned are important. At this point, the fact that I have not been intimately exposed to these problems that you mentioned for some months, I would rather not express an opinion as to just where the emphasis should be put. But I am certain that these factors can be determined by overall war-gaming of a possible attack to see how changes in our posture in one area will affect the overall picture.

This is only really the final test. As you do in a laboratory, in order to test out certain theories that you have, you have to try these things out. In the military, this is done by war-gaming. You make certain assumptions as to what your posture will be, in a certain period from now, and you go through an exercise, making quite a lot of assumptions, and see what the result is. Then you change your parameters and see what happens again.

This is a complicated problem, and I would rather not get into overemphasizing one particular element of it as compared to some other.

Senator ROBERTSON. As chairman of the Senate Committee on Banking and Currency, the junior Senator from Virginia has to give regard to the views expressed by the Federal Reserve Board on the subject of inflation. One of the very strong views expressed by the Chairman of your Board, and we put those views into the Congressional Record last Thursday, was that it was very important to have a balanced budget, and take the Treasury Department out of competition with the normal savings and financial institutions for money, for the savings of the country, and to use tax revenues to finance a spending program of the Government.

When you tell us that we are devoting less than 10 percent of the gross national product on defense, I assume that you are using the Federal Reserve Board figures that the gross national product in dollars is now running approximately \$500 billion, and that the actual spending in this coming fiscal year, not the newer obligations but the actual spending, will be \$44 billion plus and, therefore, it adds up to a little more than 9 percent in dollars.

When you say the gross national product has been keeping pace with the increase in the debt, aren't you risking a comparison between an increase in gross national product valued in inflated dollars rather than an increase in volume? Is it not a fact that if we had a depression, the gross national product would fall very rapidly, whereas the dollars in which the debt would have to be paid would increase in value as the gross national product went down?

Mr. SPRAGUE. I was simply citing a historical fact: That there are figures available going back to 1900, and I believe now they may have them going back to 1880, showing this relationship between gross national product in the dollars of each particular year.

In other words, the 1900 figure was in dollars of 1900 and the figures of 1950 were in dollars of 1950. The relationship of total debt and gross national product is simply a historical fact.

Senator ROBERTSON. I do not want the impression to go abroad that we can look with complacency upon an increase in State and Federal and local debt, all increasing. There has never been a time in the history of the world that a boom has lasted forever. If a real depression should come, dollars would then become scarce and high, while the things for which dollars are exchanged would fall in value and debts would then be impressive, because it would have to be repaid in terms of dollars.

Senator MUNDT. Will the Senator yield on that point?

Senator ROBERTSON. Yes.

Senator MUNDT. I wonder, Mr. Sprague, if the interesting study that you referred to, do you have it available in such a form that you can submit it to the committee as an exhibit?

Mr. SPRAGUE. Yes, I can. The figures were developed by the Brookings Institution here in Washington, under Dr. Robert Calkins. I have a chart and the supporting figures. I will either have Dr. Calkins supply them or I will find them and supply them.

Senator MUNDT. Is it all broken down?

Mr. SPRAGUE. These figures are broken down. That is why I referred to the fact that it is just a historical fact. I am citing this as an interesting historical fact which is not generally known.

It is very interesting to observe how the segments of this debt change. Historically, whenever the Federal debt has leveled off, other sectors of the debt, State debt and private debt, have increased. But there is a surprising constant relationship between total debt and gross national product.

Senator MUNDT. May we have that as exhibit No. 3, Mr. Chairman?

Senator JACKSON. Without objection, the chart will be admitted as exhibited No. 3, as soon as it is available.

(See appendix, exhibit No. 3.)

Senator ROBERTSON. You do not imply, I am sure, that you would not mind seeing a deficit occur to increase the defense spending?

Mr. SPRAGUE. I would like to express my point of view in this way, Senator: I am familiar with Governor Martin's very able presentations to various congressional committees and also his published attitudes in this important area.

As I understand them, he believes that to the extent humanly possible, we should have a balanced budget. He also believes that we should raise the necessary taxes in order to pay for the Government as a going concern.

Further than that, to the extent that we have to borrow, the borrowings should be from savings instead of from manufactured money. In other words, he has been very anxious to have the interest rate raised on the long-time debt so that the Government could tap savings for the long-time sector of the debt and not have to depend on banking institutions and other inflationary sources.

But I have never known Mr. Martin to have expressed an opinion as to what level of military expenditure this country could tolerate. He wants to be sure that whatever level of expenditure we have, that we pay for it to the extent we can with taxes and if we have to incur additional debt, that this be done from noninflationary sources, that we tap the reservoirs of savings and do not do it through created money, through the Federal Reserve bank, which creates hot money, as we all know.

This, as I understand it, is Mr. Martin's point of view.

Senator ROBERTSON. It is very difficult to work out any plan for the Federal Government to borrow money in a noninflationary way. You know that yourself.

Mr. SPRAGUE. That is right.

Senator ROBERTSON. And you also know that if the commercial banks buy the bonds, they can multiply the credit possibly six times, and on a Federal Reserve bank bond they can just print money, dollar for dollar; isn't that correct?

Mr. SPRAGUE. That is correct. The mechanism of our banking system is that if the Federal Reserve System buys Government bonds through the open market committee, this is called hot money and there is a multiplying factor in the economy of about 6 to 1, and the same thing happens if the banks create added deposits through this loan and deposit mechanism.

Senator ROBERTSON. The point I am trying to emphasize is this: Isn't it agreed in banking circles that deficit financing has an inflationary effect, and that, therefore, we should make every effort for a balanced budget?

Mr. SPRAGUE. I could not agree more. I would just like to make one observation.

If there is no other solution to the problem, and I use this qualification very forcefully, I would rather personally—and I am not speaking for the Federal Reserve bank or for bankers—I would personally, if this is the only way it can be done, I would rather see a little inflation and survive.

Senator ROBERTSON. A little inflation in the dollar and borrow the money for the defense?

Mr. SPRAGUE. Yes.

Senator JACKSON. In order to survive.

Mr. SPRAGUE. Yes. In other words, I would rather see the Nation a little less wealthy and survive.

Senator ROBERTSON. It is very easy to see that we have a little inflation at 2 percent. And if as we now anticipate the national spending will be \$350 billion, 2 percent would cost \$7 billion, whereas, the taxes would only cost \$5 billion, if that is what you have in mind. That is a comparison between doing it one way and doing it another way.

Senator JACKSON. May I offer a correction? You said spending at \$350 billion. I think you meant debt, did you not?

Senator ROBERTSON. No. The spending income is going up to \$390 billion, and they will not save \$40 billion of it. I meant consumer spending. The gross national product is \$500 billion-plus, out of which it is estimated that consumer spending might amount to \$350 billion.

Is that not roughly correct?

Mr. SPRAGUE. I think so.

Senator ROBERTSON. Then if you have 2 percent of inflation across the board, that costs \$7 billion, does it not? That would be a rather cruel way to finance the increase in military spending, assuming that that is done.

I am for taking whatever steps are necessary to take care of our Federal program, but I wanted to develop the difference between being a little complacent in regard to the debt and having inflation or facing up to the need and putting the taxes on, if the people feel that survival is at stake.

Mr. SPRAGUE. I would like to make it quite clear for the record that I believe that if we increase our spending for military purposes, we should pay for it in increased taxes. However, there always is a period after you increase the tax rate before the Government can collect the tax money. This might involve some temporary increase in the debt.

We ran into this situation in the fall of 1957. You will remember when efforts were taken by the Defense Department to participate in an effort that the debt ceiling not be fractured in December of that year. This is the sort of thing that I mean.

There seems to be, in some quarters, an attitude that this is a national catastrophe, if even temporarily the debt ceiling should be fractured, and there is a serious debate as to whether the debt ceiling should be raised by even \$1 billion or \$2 billion.

This is the reason I spoke to this point in my prepared statement and not to the tax problem which I thought was generally understood. But just to make my own position absolutely clear, I certainly endorse increasing taxes to pay for what we have to spend additionally.

Senator ROBERTSON. Then we are in full accord. I agree with you that we face a serious threat. We need to step up our defense efforts. I do not know yet by how much, but by an appropriate amount, and we would both like to see it done within the framework of a balanced budget.

Thank you.

Senator JACKSON. Senator Stennis?

Senator STENNIS. Mr. Chairman, first I want to thank you for the privilege you have given us to be here. It has been a very fine statement by Mr. Sprague.

I will be very brief.

I want to commend Mr. Sprague very strongly for what he said here with reference to the need to modify existing law with reference to the roles and missions of our fine military services. It is almost inconceivable to me, Mr. Chairman, that we have let this military organization grow into a \$40-plus billion yearly spending program without further modernizing present-day concepts and problems our present standards with reference to roles and missions, and where an act of Congress, signed by the President of the United States, is necessary to make a substantial change with reference to the missions of the various services.

We did add an amendment, 2 years ago, I believe, to that subject, that might help some.

I am glad you emphasized the need for what you call a command-post-type staff to serve the Secretary of Defense. I think the Presi-

dent of the United States, too, must create a new concept of some kind along that line.

You have made a very practical suggestion. I do not think it is possible, despite their superior qualities, for the men who are still connected directly with these services to have a future in years beyond that service to the Secretary of Defense, to be objective, to have the objectiveness that is absolutely demanded by the times.

I was going to ask you a specific question. You said that you felt the danger has not been sufficiently expressed by the President of the United States. You said he probably knew the danger further than he had expressed it.

I want to ask you if you thought he failed to express it in failing to recommend an increase in taxes or to emphasize the necessity of belt tightening, or to recognize the problem and necessity of limiting the production of some of the so-called luxury items, like television sets, or electric razors, or automobiles.

I am using those as illustrations. You have already expressed yourself about the taxes before the questioning got to me. It seems to me as if we are in a very serious situation, but I cannot believe in fairy stories enough to believe that all of these problems can be met and everybody can have their cake with no sacrifice, no belt tightening, that we are going to have an easy economy and a soft life, with nothing having a need to be done.

What is your thinking about that, if you are prepared to answer? Should we go further and control the economy to a degree with reference to earmarking a certain part of the production for the military program? Are you prepared to comment on a thought like that?

Mr. SPRAGUE. Senator Stennis, you ask me really to do a difficult thing.

Senator STENNIS. It is not a trick question. I just wanted to know how far you had thought about it in terms of the problem involved.

Mr. SPRAGUE. I have thought a great deal about it, and I have talked about it a great deal among friends. You made, I believe, a statement that I do not think that I made.

Senator STENNIS. Excuse me. You make the correction.

Mr. SPRAGUE. I think, as I remember your statement, you said that you gathered the impression that I had stated that the President had not expressed to the American public his concern about the dangers we face.

Senator STENNIS. Excuse me. I meant to say that you said that he perhaps knew these dangers, but you personally felt, as I understood it, that he had not fully expressed those dangers to the public. That is what I meant to convey. If that is not the correct thought, you correct it.

Mr. SPRAGUE. I have no way of looking into the President's mind and knowing just what he feels the threat to be. Let me make a hypothetical statement.

I do not want by any stretch of the imagination for this to be taken as a statement of my knowledge of the President's thinking in this unpleasant area. If the President of the United States should believe that there is no danger that we will receive a massive atomic attack from the Russians or anybody else, just because it is not in the nature of man to do this to man, that this is such a horrible thing that although it is a technical possibility it is not an actual possibility,

that nobody, not even Mr. Krushchev or his successor would push the button and initiate an attack on the United States, this is something that humans cannot conceive, if the President in his own heart, and in his great desire for peace, and I know no man anywhere that has a greater desire for peace than the President of the United States—

Senator STENNIS. I certainly agree.

Mr. SPRAGUE (continuing). If this is what he believes in his heart and mind and soul, then he would certainly have one opinion about the danger that we face. If he felt, on the other hand, that the Russians might use thermonuclear holocaust as a tactic in this war that I referred to, which I think has been in existence since 1946, to achieve their ends if they cannot achieve it by peaceful means, which they certainly would prefer to do, then he would have a different personal attitude toward the threat.

I do not personally know. I have no way of knowing and I do not know whether anybody does, just how the President feels about this problem in his heart, his mind, and his soul.

What I said was that my own personal feeling is that I think that this is a real threat, this is the way I feel in my mind and heart and soul. I think the Russians mean exactly what they say they mean, which is that they intend, by one device or another, to achieve world domination.

Mr. Hitler wrote a book, "Mein Kampf," that seemed so ridiculous that many did not believe it. But Hitler meant it.

Senator JACKSON. Might I interrupt to ask, Is it not true that candor can be the most effective form of deception in international diplomacy?

Mr. SPRAGUE. Yes. I see your point.

Senator JACKSON. Hitler is a living example of it. Maybe we should take Khrushchev at his word when he says he intends to bury us.

Mr. SPRAGUE. Does my statement answer your question, Senator?

Senator STENNIS. Yes, I think so. I knew you were not critical of the President, and I was not either, not at all.

The question seems to me, and we have not really wrestled with it here, whether or not you are going to have to call on the people of America to make some real sacrifices for a few years, and have some real belt-tightening in order to meet this situation.

I believe that is the old way of meeting it and I believe the only way of meeting it.

Mr. SPRAGUE. I agree.

Senator STENNIS. That is the point I wanted to get from you, from your very vast experience. If I had any real comment to make upon the congressional trend here, as well as the executive trend, it is our failure to meet that very point head on, and lead the American people in the thought, prepare them, and I think they would follow.

I do not think they have been prepared for it. More men like you must speak out on it, and I think more Members of the Senate. All of us connected with this public responsibility should speak out on it.

Mr. Chairman, I thank you very much. I am very pleased that I could come here.

Senator JACKSON. Senator Stennis and Senator Robertson, we are very grateful for your appearance here. You gentlemen are on the

pertinent committees that deal with this broad subject and we welcome the contribution you have made.

Senator ROBERTSON. I want to thank you for the privilege of being here, hearing the testimony and participating in the questioning. It will be very helpful information when we go to mark up our defense budget.

Senator JACKSON. Dr. Baxter will follow Mr. Sprague after Senator Muskie has had his turn at questioning.

Senator MUSKIE. Mr. Sprague, I have enjoyed your testimony, too, and liked it very much. I have a few questions that I would like to ask. Perhaps the answers are implicit in what you have already said, but I would like to nail them down for my own satisfaction.

I gather that you consider our present military program inadequate to the needs.

Mr. SPRAGUE. That is correct, Senator.

Senator MUSKIE. And I gather further that you consider the deficiencies a threat to our survival.

Mr. SPRAGUE. I do.

Senator MUSKIE. You suggest, then, that there ought to be a higher ratio between defense expenditures and gross national product than now obtains?

Mr. SPRAGUE. That is correct.

Senator MUSKIE. Do you make the point that this ought to be a constant ratio?

Mr. SPRAGUE. No, but it certainly will have to be higher if and until there is some failproof control of armaments in one form or another. I emphasize the word "failproof." I should say "failsafe"; excuse me.

Senator MUSKIE. You would not say, then, that there ought to be a constant ratio between our Federal budget and our gross national product?

Mr. SPRAGUE. No. I think the two are separate. The Federal budget, which is now, as I remember it, running about \$80 billion a year, is made up of the military sector and the civilian sector. I do not think there has to be any necessary relationship between the civilian sector and the military sector.

Senator MUSKIE. That leads to my next question.

Do you think there are other shortcomings in our national effort independent of our military programs that bear upon our survival?

Mr. SPRAGUE. I really have no expertise in this area at all. I am familiar with the debate that is going on in connection with the farm program. I would really rather not get involved in this.

Senator MUSKIE. I am thinking, for example, of such problems as the educational problem.

Mr. SPRAGUE. There are many who are much more competent than I am in this area—well, this is a part of our future strength. We have to have superbly competent and educated people to do the things that have to be done. We have to have a well educated population, and this is a serious problem.

My point is that I really have no particular expertise in this area, other than the average citizen who reads the paper and who is on the board of several educational institutions and has the problem of raising money and what to do about the students that you do not have room for in your freshman class.

Senator JACKSON. All I can say is that that is a modest answer.

Senator MUSKIE. I was going to say that; that you are too reluctant to talk in areas in which you consider yourself not an expert because I consider you may be more of an expert than others who consider themselves experts.

I was interested in your comment when you say there is no solid basis to argue that the Soviet economy will not continue to grow at its present rate.

Assuming that the Soviets have the natural and material resources to equal or at least equal ours, does this statement mean that at some point, in your judgment, the Soviets will match us in the utilization of their resources?

Mr. SPRAGUE. This is entirely possible. If you extend our present rate of growth and the Russian rate of growth, these two curves meet at some point in the not too distant future. Whether their rate will continue during this period at $6\frac{1}{2}$ percent, and whether ours will stay at 3 to $3\frac{1}{2}$ percent, I do not know. But there is no solid evidence that their present controlled economy which puts a larger segment of their annual income into wealth creating sectors will be modified.

This is complex problem of how long the 200 million Russians are going to be satisfied with their living standards or their rate of increase of living standards. But there certainly is nothing to indicate that the small hierarchy that is running Russia today is losing control.

Senator MUSKIE. Assuming, then, that their potential is at least the equal of ours, and assuming that for some time in the future they will not be devoting as much to the consumer sector as we do, this means inevitably, then, that they will be in a position for an indefinite period of time to devote more in the military sector than we do.

Mr. SPRAGUE. Today we have the great advantage that we can outrun the Russians in the military sector, at least economically, by a modest increase in the percentage of our GNP that we are devoting in this area. Should our economy continue to grow at the present rate, and theirs continue to grow at double the rate, of course, this comparison will not exist 15 or 20 years from now.

But I think we have to live through the next 5 years before we worry about the next 15 or 20. There also is a subtle playback in our own economic growth, possibly by undertaking some of the things that we are talking about here.

If we do some of these things, this, of itself, tends to expand the economy.

Senator MUSKIE. You made the point earlier that we should be gearing our effort to both the short term and to the long term. If we are going to have to begin to run faster some time in the future, whether it is 1970 or 1980, or later, then you suggested in your testimony today that we ought to begin running faster now.

If, then, we can look forward to the time when the Soviet overall production is the equivalent of ours, and a much larger percentage of that will be devoted to the military sector than ours, then should we now be changing the relationship between what we devote to the consumer sector and what we devote to the military sector?

Mr. SPRAGUE. This is a serious problem, and I think this is the problem that the Joint Economic Committee was devoting its attention to: What steps could be taken to increase our economic growth?

This is a serious national problem. This is part of the long-range problem.

Senator MUSKIE. So the real problem is the utilization of our resources?

Mr. SPRAGUE. That is correct.

Senator MUSKIE. For the indefinite future?

Mr. SPRAGUE. That is correct.

Senator MUSKIE. Thank you very much.

Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Senator Muskie.

Because we want to accommodate Dr. Baxter, and although I have many more questions to ask, and I am sure my colleagues also are in the same position, we will terminate this questioning of this witness. In terminating this part of our hearing, I want to again, Mr. Sprague, repeat what I said earlier.

We are grateful to you, sir, for an objective, nonpartisan and a highly provocative presentation to this committee. I commend you for your dedication and the time you are taking to aid the cause in which all of us, regardless of political affiliation, are interested, and that is the survival of our country.

If you have no objection, we may be bothering you some more. There may well be some thoughts that will come to you after you leave today that you may want to supplement your remarks with. You may do so. The record will be made available to you for that purpose.

Mr. SPRAGUE. Thank you, Mr. Chairman. It has been an honor to appear before your committee.

Senator JACKSON. Thank you.

Our next witness is Dr. James Phinney Baxter, president of Williams College.

Dr. Baxter is one of our great historians. He was director of the research and analysis for the Coordinator of Information, August 1941-42, Deputy Director of the Office of Strategic Services, June 1942 to February 1943, and he was historian of the Office of Scientific Research and Development, 1943 to 1946.

In 1947 he won the Pulitzer prize in history for "Scientists Against Time." He, like the preceding witness, served on the Gaither Committee.

Dr. Baxter, it is a real honor to have you here, and we will welcome your statement.

Senator MUNDT. Dr. Baxter, before you proceed, may I say that I regret I have to leave in about 5 minutes, but I have read your statement and I certainly want to thank you and congratulate you on your most interesting and impressive statement, which I know will be highly useful to this committee.

I regret I will not be able to explore your mind further by any questions which will occur to me, because I will not be able to be here for your conclusion.

Mr. BAXTER. Thank you, Senator.

Senator MUSKIE. Mr. Chairman, I wonder if I might extend a special welcome to Dr. Baxter. He bears a name highly honored in the State of Maine. His uncle is a former Governor of Maine, still highly active at an age of more than 80 years. I have always ad-

mired all the members of his family, and appreciate this opportunity to meet Dr. Baxter.

Mr. BAXTER. Thank you.

Senator JACKSON. Dr. Baxter, you may proceed.

STATEMENT OF JAMES P. BAXTER III, PRESIDENT, WILLIAMS COLLEGE, WILLIAMSTOWN, MASS.

Mr. BAXTER. Mr. Chairman, I welcome this opportunity to talk to your committee. The subject you have asked me to discuss, the relation of force to national policy, is one which I have studied for years.

At the outset I would like to point out that I have seen no classified material later than January 1958, and I am not authorized to disclose any classified material that I saw from August 1953 until January 1958. I am simply giving my own opinions.

One of the generals of Alexander the Great who took over part of his farflung empire was known to history by the grim name of Demetrius Poliorcetes, "Demetrius, the slayer of cities." What puny weapons he had at his disposal compared with those in the stockpiles of today's nuclear powers.

In one decade, still fresh in our memory, the power of a single weapon jumped twice, in 1945 and 1952, and each time by a thousand-fold. The increase from a blockbuster of World War II to a multi-megaton H-bomb has put strains on the international system more severe than any in previous history.

Democracies have never been at their best in relating force and policy. The normal pattern in the United States has been to let our armaments run down in a long period of peace, to fail to discern the impending danger in time, and to prepare too little and too late. Our unreadiness could be measured not only in terms of material and trained manpower, but in ways of thinking which are highly dangerous in wartime. Unpreparedness was woven through the whole texture of our national life. President Polk risked simultaneous wars with England over Oregon and Mexico over California and an expanded southern boundary, at a time when the British Navy could have swept the American flag from the seas. President Franklin D. Roosevelt did a good job in expanding the Navy and organizing our scientific resources for the production of new weapons, but our Army was lamentably unprepared for the burdens laid on it by simultaneous hostilities with Germany and Japan.

Our experiences in that great struggle led to the National Security Act and the creation of the institutions with which you are familiar. How they function under the unparalleled strains of the cold war is the problem to which this Senate subcommittee has set itself.

As France and Russia drew together in the early 1890's in an alliance pretty much pointed against England, the British countered with a declaration that they were prepared to keep their fleet as strong as the next two naval powers combined. Before the decade was over, the British were nearer to a three-power than to a two-power standard.

It was a costly business even for a power as rich as they were, but it paid great dividends. In the darkest days of the Boer War, when hostility to the British ran high in France, Russia, and Germany,

not one of the three powers had a mind to challenge the Mistress of the Seas. Here the deterrent was a powerful fleet in being, plus a frank avowal of an intention to maintain a decided superiority over any possible hostile coalition, no matter what the cost.

To follow such a course requires a long purse, an advanced technology, and a stubborn resolution to maintain one's lead despite any threat of a scientific breakthrough by one's possible opponents.

After the close of the Crimean War in 1856, the French Navy sought such a breakthrough by introducing a seagoing, ironclad warship and succeeding on the first try, thanks to the genius of their great naval constructor, Dupuy de Lome. The British Navy faced a difficult choice in 1858, which has its parallel today in the challenge presented to us by the Russian intercontinental ballistic missile.

The Controller of the Navy pointed out that England, with the largest navy in the world, hesitated to introduce ironclads whose success might make junk of much of her existing wooden material. When a rival, however, had already forced her hand by introducing armored ships, the construction of an adequate force of these naval craft became, as he put it, "a matter not only of expediency, but of absolute necessity."

If you analyze this statement, you see that British policy had been to permit a rival a headstart, assuming that British superiority in technology would enable them to catch up in short order. They believed they had a precious advantage in leadtime, the interval between conception and the finished product.

As things worked out, they had a long, stern chase, for in the middle of planning the British ironclads, the Conservative ministry fell in June 1859, and much precious time was lost. An ironclad gap opened up of serious proportions, but the British at long last set out in earnest to fill it.

Soon Italy, Austria, Spain, and Russia also entered the race. When the news of the battle between the Monitor and the Merrimac crossed the Atlantic in March 1862, more than 40 seagoing ironclads, 30 armored coast-defense vessels and 18 partially protected gunboats were already built, building or authorized in Europe. A French ironclad frigate had cruised on the coast of Mexico in 1861.

There is a parallel here. The damage an ICBM could do to bombers on the ground, through overpressures, would be greater than the damage any ironclad ever did to wooden vessels.

The British never forgot their lesson, and in subsequent decades preserved the precious advantage of leadtime in shipbuilding. A similar superiority in leadtime for new weapons was achieved by the United States over the Germans and Japanese in World War II, to our enormous advantage.

The importance of leadtime under present competition with the Russians has been stressed by Senator Saltonstall, among others. This problem of leadtime seems to me to deserve serious study by this subcommittee.

Those who have studied the history of Soviet Russia have been astonished at the change in their rate of development. They were not 5 feet tall when we looked down on their fumbings and inadequacies in the 1920's and 1930's and they are not 7 feet tall, as some pessimists regard them today. But they are growing very fast, as we did at a comparable period in our own economic development.

The annual increase in their gross national product is close to 6½ percent, while ours is 3½ percent. Striking as this fact is, it is perhaps less remarkable than the allocation of 25 percent of their income to their military effort in comparison with our allocation of 9 percent. Combined with an impressive improvement in their science and technology, they confront us with a most serious challenge in diplomacy, trade, economic, and military power from the Caribbean to outer space.

American youths, and many of their parents, too, find it difficult to believe that the Soviet Government can continue to deny their people so many of the good things of life; adequate housing, consumer durables like refrigerators, washing machines, and the many things we have come to believe must be the portion of all newlyweds.

They do not realize that this denial to the Russian masses of what we consider necessities is one of the secrets of rapid capital formation in Russia, and the leaps and bounds of their heavy industry.

In the United States, popular consumption follows popular desire as the day follows the night. In Russia, the Government can concentrate on guns and missiles and steel plants, and 500 submarines instead of butter. The linkage between popular desire and public consumption is missing.

The Russian concentration on the instruments of war stems, in my opinion, from a desire to dominate the world. They have not provoked a war because we have looked strong and determined and because they hope to achieve the control of Europe without having to fight for it.

Their ideology requires them to believe that capitalist states inevitably swing from boom to bust and that when the bust comes we shall go isolationist and give them the control of Europe without a battle. Once they control Europe, with its factories, its machine tools and its vast amount of skilled labor, the rest of the way to world dominion, they think, would be relatively easy. As we have not accommodated them by going into an economic tailspin, they might choose an alternate route, taking over the oil of the Middle East and using it to bring Europe to heel.

In teaching American diplomatic history during the past 35 years, I have naturally given much thought and study to our relations with the Soviet Union. My conclusions, for what they are worth, are that the U.S.S.R. has from the start aimed at the dominion of the world by international communism, and still does so aim.

They have developed a remarkable flexibility as to means while retaining an iron consistency of purpose. They have been willing, to wait, confident that time is on their side, that capitalism, they think, has in it the seeds of its own decay, and that their strength eventually will exceed that of the free world.

They have not ruled out force as a means of attaining their goal, as their military literature, so ably summarized by Raymond Garthoff in his book "Soviet Strategy in the Nuclear Age," makes clear. But they would naturally prefer to win without the risks of full-scale war.

Eighteen years ago, when I had the privilege of serving as a Deputy Director of the Office of Strategic Services, my then Chief, Col. William J. Donovan, used to tell his staff that 1 day a week they should put their hats on backward, assume that they were staff planners

for the enemy, and try to think out plans that would do us maximum damage.

If you will permit me for a few moments to apply this technique, the results would be something like this:

(1) If the Russians could persuade the free world to scrap its nuclear strength while retaining secretly a nuclear capability of their own, they might count on world mastery.

(2) If the Russians could persuade the free world to scrap its nuclear strength, even at the cost of scrapping their own, they could dominate the world if they retained their present superiority in conventional forces.

(3) If, by a surprise strike with missiles followed up by manned bombers, they could destroy our Air Force on its bases, our cities would then be at their mercy and they could write the peace terms at their leisure. True, they would face very heavy losses at home, so heavy at present as to be quite unacceptable, but we are talking about a nation which killed great numbers of its own people to establish its political system and millions more in order to institute its system of collective agriculture.

If our nuclear strength did not deter full-scale war, who knows how many million Russians they might be prepared to sacrifice to attain world mastery? The Russian sources cited by Garthoff start with the assumption that Russia could stand the attrition of nuclear war better than we, having the advantage of the first strike, greater dispersion of cities, et cetera.

Assuming that the free world has strength enough to deter a surprise attack by making unescapably clear to the Russians that the result would be unacceptable losses, the Russians would still have a fourth alternative: To drive wedges in our alliance structure by a threat or series of threats of limited war.

This would be risky business, indeed, if the threat of limited war should bring our Strategic Air Command into action, for the Russian losses that would follow would be clearly unacceptable. But suppose the challenge came outside the NATO area?

Could the Russians find a spot where the game seemed not worth the SAC candle; where we might be willing to commit conventional forces as we did in Lebanon and the British did in Jordan, but where we were not prepared to commit our nuclear bombers? Many people think that such a testing of the free world is more likely than a full-scale war.

Already grave doubts have arisen among the uncommitted peoples, the neutrals, as to whether the United States would commit SAC in such circumstances, and as to our capabilities to handle such a situation with our limited strength in conventional forces. We have commitments of one sort or another to 40 nations. If we should dishonor one defense obligation, we weaken our alliance value everywhere.

This might seem to be a profitable line of approach for Russian staff planners, for the risks of a single, limited war from which they or one of their satellites might withdraw if the going got too rough, might seem small in proportion to the gains that would follow success. These gains, or a series of such gains, say in the Middle East, might seem to the Russians to hold out the hope that an irresolute free world could be maneuvered beyond the point of no return.

There are effective counters to all these possible Russian moves, if they are met with the courage and consistency which the free world mustered at the time it executed the Berlin airlift and created NATO.

First, let us take a look at the dangers implicit in disarmament. I have spent several years of my life studying the history of disarmament, and it is gloomy reading, indeed, for a lover of peace. It is not too difficult to get the powers to rule out a weapon that holds out little hope of a large military payoff, but it is quite another thing to rule out one that does.

At the First Hague Peace Conference of 1899, it was one thing to get the powers to forgo dropping bombs from balloons. But look at their attitude at the Second Hague Conference of 1907, 4 years after the Wright brothers had won immortal fame at Kitty Hawk, and had given the world an inkling of the new possibilities in bombing from the air.

The payoff of the aerial bomb increased greatly from 1914 to 1945, then twice leaped a thousandfold in one decade from tons to kilotons to megatons. The multi-megaton bomb seems a costly instrument at first sight, but it is actually the cheapest way known to kill large masses of people. That is the most horrible thing about the bomb, for history thus far has shown that the likelihood of the successful outlawry of a weapon has been in inverse proportion to its destructiveness.

Undaunted by this, the United States came up with the Acheson-Lilienthal Report and the subsequent Baruch proposals for the internationalization of fissionable materials. These unforgettable proposals rested on the concept so well stated by that wise elder statesman, Henry L. Stimson:

The riven atom uncontrolled can only be a growing menace to us all * * * upon us, as the people who first harnessed and made use of this force, there rests a grave and continuing responsibility for leadership, turning it toward life, not death.

There is a parallel here between the Acheson-Lilienthal proposals for internationalizing fissionable materials and a celebrated episode in American history in the 1780's. You will recall that Maryland refused to accept the Articles of Confederation unless all the States possessing claims to western lands should agree to pool them for the Nation's good.

Every schoolboy knows that the joint ownership of the western lands by the 13 States of the seaboard set in motion centripetal forces that helped to give us a more perfect Union. Is it farfetched to believe that the internationalization of atomic development might have a similar beneficent effect on world affairs, allaying suspicions, mitigating rivalries, lifting the world to the level of amity and concord? It would be a first step toward common control of common property, a strange type of property, with a fabulous potential for good or evil. You know the tragic outcome of the Acheson-Lilienthal Report and the Baruch proposals, how they were shipwrecked by the Russian refusal to agree to adequate inspection, because of the Russian obsession against having foreigners perform such a function within their territory.

But though we know how that story came out, I wish everyone would read the account of it by Frederick Osborn, who had the frustrating task of trying to persuade the Russians to go along with

the American proposals. You will find it in a volume published by the World Peace Foundation in 1951 entitled "Negotiating With The Russians," edited by Raymond Dennett and Joseph E. Johnson. It will give you a better idea of the rocks with which the task of negotiating with the U.S.S.R. is strewn.

Undismayed by this disheartening experience, President Eisenhower has made repeated efforts to break through Russian intransigence and attain a satisfactory solution. They include some of the most imaginative moves the United States has ever made on the international chessboard: the "atoms for peace" proposal of 1953, the "open skies" offer of 1955, the offer to Bulganin of March 1956, the negotiations for the suspension of nuclear tests and the very important proposal for safeguards against surprise attack. The whole subject has been admirably presented in Secretary Herter's fine speech before the National Press Club last Thursday.

The defense policy of the United States rests on deterrence. I would like to express my conviction, as vigorously as my friend Mr. Sprague did, that the United States today has a great military superiority over the Russians.

Like him, I would like to see further efforts made to maintain our superiority and strengthen deterrence. Remember that this concept rests on something that takes place in the enemy's mind, not in yours or mine. You will recall the old story about the man who was approached by a bristling dog, and remarked to a friend who tried to reassure him: "You know that the dog won't bite, and I know he won't bite, but does the dog know?"

I believe that at the present moment SAC, plus our nuclear strength overseas, plus our seaborne nuclear strength in the two fleets that we have on the ocean with it, is an adequate deterrent against full-scale wars, and I hope and pray that it always will be. It will be an adequate deterrent against limited wars if the Russians believe that we would use it. They would, in my opinion, be more likely to believe we would resort to "massive retaliation" if we embarked on a fallout shelter program, as I think we should.

Such an effort on our part would greatly strengthen our deterrent power. With due respect to contrary opinion, I should be happier if we improve our conventional strength to wage limited war, and added thereby to our deterrent power.

In any event, we must never waver on a treaty commitment, because if we do, we destroy our alliance value and with it the whole fabric of free world defense. I believe that we shall never make that mistake, as long as men remember the consequences of the Munich surrender of France and Great Britain.

Because I have stressed so heavily the military necessities of the situation, let me make clear that I believe that we must go far beyond military preparedness to insure the peace of the world. We must continue both economic and military assistance to our allies and increase our assistance to undeveloped nations; psychological cold warfare is also important.

Lastly, because I am a teacher, I would like to express my belief that we must make a better effort in education, from the bottom to the top. My study of new weapons development in World War II taught me that the Nation that wins that race must have not only large numbers of scientists and engineers, but an adequate number of

the best of them. You don't solve problems like the atomic bomb or the proximity fuse with run-of-the-mine people. The same is true in medicine, in surgery, in government, in every field of endeavor.

I realize that the total of what I have suggested runs into a lot of money. Nobody hates inflation more than college presidents, unless it is the directors of hospitals. But there are things the American people spend a lot of money on that they well could do without or have less of, in exchange for greater security.

I am not advocating that we waste anything, for that is not in the nature of a New England Yankee. I am willing to pay more taxes if it is necessary to do the things we need to do, and I believe that our entire people would feel the same way if they realized all that is at stake.

My feeling is that our first effort should be made through taxation, rather than through deficit financing.

Senator JACKSON. Thank you, Dr. Baxter, for a most illuminating statement. I think it has been particularly helpful in reminding us once again of the importance of an appropriate understanding of the task of history, in order to plan for the future. I want to commend you for an excellent presentation.

Senator MUSKIE?

Senator MUSKIE. Thank you, Mr. Chairman.

I wish to ask only one or two questions, because I must leave and I do not want to hold up the committee or you, Dr. Baxter.

I would like to refer first to your statement in which you express your conviction that the United States today has a great military superiority over Russia. Do you think, referring to Mr. Sprague's statement on this point, that our second strike capability is sufficient to meet the needs?

Mr. BAXTER. Senator, I should have made the same qualification that he has. We have, in being, a much greater military superiority. If by surprise attack they hit us first, the question as to how much we have left is, in a sense, on the knees of the gods. And I would naturally like to see that we do our level best to protect our second strike capability.

Senator MUSKIE. Do you think we are doing our level best today?

Mr. BAXTER. Senator, I have no classified information since January 1958. I must say I have been enormously impressed by what I saw of the Strategic Air Command, and my guess is that the naval fleets that have nuclear strength and our bases overseas are in just as high a state of alertness as the money available to them makes possible. Whether they should be entitled to have more is for them to say, not for me.

Senator MUSKIE. Implicit in your statement, particularly the last paragraph, is the suggestion that we ought to be doing more.

Mr. BAXTER. Yes, sir.

Senator MUSKIE. I would like to refer again to your comments relative to the threat of limited wars. Is it your judgment that if necessary in order to contain a limited war and meet a Russian threat made in this way, that we ought to be prepared to use our nuclear striking power?

Mr. BAXTER. There has been a lot of discussion of this, Senator. In my opinion, some of the discussion which assumed that there could be limited warfare in the NATO area, has pretty well been dis-

carded. I would think with the commitments that we have, if there is a large-scale attack on our allies, that judging by the emphasis that we put on nuclear as compared with conventional weapons, both the British and ourselves would either have to use nuclear weapons or lose the game. It seems to me that there are probably other areas in the world where the United States and the British might do what they did in the Lebanon-Jordan episode, confine themselves to a move of conventional forces.

The important thing is to have enough limited warfare capabilities so that we have flexibility in our military support of our diplomatic position. We do not want to make a full-scale war out of everything.

Senator MUSKIE. I am thinking particularly of situations in which for geographical or other reasons it would be difficult, if not impossible, to bring the conventional weapons to bear.

Mr. BAXTER. It is probably for that reason the United States has emphasized the role the Navy plays, which I think is a great one, in this whole business of supporting a move with conventional forces. As you will remember at the time of the Lebanon landing, Admiral Holloway was there with a large Mediterranean naval force, and it is a pretty impressive thing, not only because of its strength and its mobility, but the speed with which it can move. In this whole matter of limited warfare, the speed of movement is vital, as history has shown. You can put out a brush fire before it gets very far, but if it gets a good start, it is a very much more difficult job.

Senator MUSKIE. Do you think that our conventional strength at the moment is adequate to meet a limited war?

Mr. BAXTER. Frankly, no, Senator. I think that the case made for increasing the strength of the Army and its mobility for limited warfare has been a good one.

Senator MUSKIE. So in this respect, at least, our present effort is inadequate, in your judgment?

Mr. BAXTER. That is one of the reasons why I said I would like to see a larger expenditure, yes.

Senator MUSKIE. With respect to the educational problem, Dr. Baxter, I take it that implicit in your statement is a belief that the national effort should be greater than it now is?

Mr. BAXTER. Senator, I do not happen to have been one of those who have looked to the Federal Government for aid in this area, other than the well-marked lanes that have been worked out. I happen to be involved in the area of higher education rather than schools. I certainly am not going to say that I am more conservative than Senator Taft about aid to schools, because I thought his stand there was soundly based. But I am not one of those who are asking the Federal Government to solve the problems of higher education. When I talk about a better effort, it seems to me that this effort in the first instance should be financed by the alumni of colleges, their friends, the parents, with the aid of foundations and the help of corporations, which has been growing rapidly. My own feeling is that we ought to do a better job. I did not mean to say that it had to be all underwritten by you gentlemen here.

Senator MUSKIE. Are you at all concerned about the wide variations in the resources of the States?

Mr. BAXTER. I think that is true, and I think that probably was the basis of Senator Taft's proposal for the aid to States to keep their school systems up to a given level.

Senator MUSKIE. Dr. Baxter, I am not going to take up more of your time, but I want to compliment you, too, upon your statement. I think it is the highest possible quality that does justice to your Maine background.

Mr. BAXTER. Thank you very much.

Senator JACKSON. Senator Javits.

Senator JAVITS. I would like to have permission to ask Mr. Baxter a question and then a question or two to Mr. Sprague.

Senator JACKSON. Mr. Sprague, do you wish to come back for a moment?

Thank you.

Senator JAVITS. First, may I say that the similarities of approach by you gentlemen is markedly impressive to those of us who are here, I am sure.

May I ask you first a general question on national policy.

Do you feel that opening the decade of the 1960's, the Senate and the Congress would have the right to assume that the American people will be ready for these major decisions and sacrifices if we tell them what to do, and that an era is closed now, the postwar era, characterized by getting over the armed aggression phases of the Communists, some supernatural organizing activity on the part of the free world, and getting the world's production machine back in order? All of that has been pretty well done. No matter who goes to the White House in 1960, it will be a new team, the old team having done its work, we Republicans think, superbly well, but still there will be a new team. Do you think, therefore, we ought to proceed here on the theory that the American people are ready to sacrifice, and it is up to us to tell them what we want done?

Mr. BAXTER. I do profoundly think this, but looking at the record of history, I think you have to keep telling them. I think that we can learn something from the advertising profession. One advertising move, no matter how brilliant, does not work unless you keep at it. My own feeling is that this whole question about the state of readiness is getting a tremendous amount of ventilation in the press, in public discussion everywhere. People keep asking about it steadily. But this is a job that has to be done repeatedly. The President can do something, the Senate through hearings and debates and speeches, and the House can do something about it. It is an everlasting job when you are asking people for money for foreign aid, and for all the other things that we have to do, to get the thing sold and keep it sold. But my belief is that we are going to do it.

Senator JAVITS. And do you think our people are ready to do it?

Mr. BAXTER. I think they will do it. When you think of the money they spend on things that are nowhere near as vital to their survival as the defense budget or education. Mr. Lovett was speaking yesterday, according to the papers, about the waste that is involved in our expenditures. It seems to me we would be a lot better if we took out some more life insurance by increasing our security, and paid taxes that would cut down on our ability to buy some of the foolish things we spend our money on.

Senator JAVITS. As a nongovernmental leader, do you feel the people are ready to pay the taxes, if we tell them what we want done?

Mr. BAXTER. Yes, sir. It takes explanation, but it seems to me as a result of the debate that is going on about national security, they will be ready to do it.

Senator JAVITS. I notice that you close your very fine statement by saying:

I am willing to pay more taxes, and I believe that our entire people would feel the same way, if they realized all that is at stake.

That would imply that you are ready to pay Federal taxes, and you think much of this has to be done in the Federal establishment?

Mr. BAXTER. Yes, sir. I think there will be probably increased local and State taxes. We have the privilege of almost paying 2 years in one in Massachusetts this year, and I think it is justified on the basis of the State's financial position. The educational effort is primarily a State effort, and I think taxes will have to go up on that.

Senator JAVITS. Would you be prepared to make any comment on Mr. Sprague's suggestion for a Joint National Security Committee of the Congress, which I heard him make? Do you think that would be a good and constructive technique for us to use in preference to other techniques, the joint committee of the Congress?

Mr. BAXTER. I think the analogy that he uses about the Joint Committee on Atomic Energy is one that would be encouraging here, because I think it has done a lot of good. I happen to have read a good many of their hearings, simply because I happen to be chairman of the advisory committee on the AEC history. On the other hand, one thing that bothers me about his suggestion, which I have only been thinking about for a day or two, would be this: If all the documentation for defense, which is a good deal more voluminous, even, than the documentation involved in the atomic energy field, were spread more widely than it is, the problem of leaks, which is already a serious one, as you know, would be very serious.

Charles Coolidge made a very interesting study of leaks for the Department of Defense. The problem of leakage would, I think, be multiplied, not because Senate committees and House committees are not as loyal and dedicated and devoted as members of the executive branch, but because multiplication of this material increases the risk. I am not at all sure about the constitutional balance of power here between the executive and the congressional branches of the Government. It seems to me that there are certain working papers that the executive branch is entitled to have as privileged documents while they are considering what they are going to recommend.

The analogy with the JCAE is good. The problem of security, which is a tough one for democracies to maintain, is something else. We already have, as I understand it, a Joint Committee on the Armed Forces. I understand that they have access to very great information from the Army, the Navy, the Air Force, and the Marines.

Senator JACKSON. Dr. Baxter, I did not mean to interrupt, but we do not have a Joint House-Senate Committee on the Armed Forces. The only joint committee in the military area is the Joint Committee on Atomic Energy.

I do not mean to speak for Mr. Sprague, but I had the impression that this Joint Committee on National Security cut down the number of people that would be involved in this process, and that it would have an opportunity to see the whole defense picture so that there would be less of this problem of leakage and the possibility of a security violation.

I also wanted to say that there is a real conflict here between the executive and the legislative branches of the Government. I do not

know how, frankly, we can reconcile our constitutional responsibility to provide for the common defense unless we have the information. This is especially true in the development of these new weapons systems. It places us in an incomprehensible position to try to reach decisions. Some answer must be found to that.

Excuse me, Senator Javits.

Senator JAVITS. I would like to say for the record that I think our chairman has done us a great service in being the spark plug which brought about these hearings. I think you gentlemen are helping to demonstrate that with this splendid presentation.

Mr. BAXTER. I am sorry, Senator, to have slipped up on the Joint Committee thing. It was misinformation. But if anything could be done to minimize the risk of leakage along the lines you say, that would be fine. I do think it is a lot easier with our free discussion, being a free society, for an intelligence officer of an enemy power to pick up information over here than it would be for us to pick it up overseas.

Senator JAVITS. Mr. Sprague, I would like to tell you personally that one of the most constructive things, I think, that has been said in this or any other hearing, is contained in your statement, where you say:

I have been a conservative Republican, and also responsible in a small way as chairman of the Federal Reserve Bank in Boston for maintaining a stable economy. But it is an interesting fact, not always understood, that we operate in this country not only an equity economy but also a debt economy.

I would like to say that as a liberal Republican, I am delighted to join you.

Senator JACKSON. If this committee can do nothing else, then, we can get the liberals and the conservatives together.

Senator JAVITS. This is the point I have been arguing in the Joint Economic Committee: It is not what you owe, it is what you have, that determines your solvency and liability.

I really think, sir, that voices like your own, which are theoretically identified with the status quo, raised in this way, are superbly effective. I am delighted to be on the committee and to have heard you make this statement. I think you are as right as rain. I think the country needs it as urgently as you said. But there are not too many in your position that are prepared to subscribe to that proposition.

I have one question to ask: There has been a suggestion which is also before this committee, for an advisory committee on national security to serve the National Security Council in order to broaden its base to reach into the area of nongovernmental brains, like these two very distinguished minds who are before us this morning.

Would you in some way equate that with your suggestion? I have no pride of authorship about it. We really are deeply interested in ideas and also in discarding ideas which may not have merit.

Senator JACKSON. The Chair hates to intervene, but we have an agreement with the President that any matter relating to machinery of the National Security Council or its subordinate agencies will be taken in executive session.

Senator JAVITS. I will withdraw that question.

Senator JACKSON. If you want to ask the question in the context of something other than the NSC, fine. But under the guidelines we have agreed to, that is the understanding.

Senator JAVITS. I would withdraw that question.

I would like to ask Mr. Sprague this question: Do you think there would be any usefulness in an advisory committee of distinguished national citizens, of distinguished American citizens, on national security, wherever it might fit into the Federal Government, equating that with your suggestion for a joint congressional committee?

Mr. SPRAGUE. I think the two are quite different, Senator Javits. The mechanism is available today and has been freely used for both the Congress and the executive branch, to avail themselves of groups of citizens who appear to have knowledge in certain specialized areas. To me the basic problem to which I directed this suggestion is that Congress, under its constitutional responsibilities, which are to raise the military and provide for the common defense, have to pass on serious problems of appropriations, the approval of a whole spectrum of actions, I think without complete access to all the basic information.

I relate it to running my own business, which is a peanut show compared to the Federal Government. But I can not operate the Sprague Electric Co. without complete access to all information available everywhere in the company. If I can't do it with a company that only employs 6,000 people, how can the Senate and the House discharge its responsibilities without access to this type of information?

I further think that the problems are of such enormous proportions today, and more serious than have ever existed in the history of civilization—there never has been a time that the weapons were available with which we can destroy a modern civilization—but I think there has to be a counterbalance. After all, the policies of the executive branch are determined, in the final analysis, by the President. I think there needs to be a group of informed persons within the Congress that has access to the same information. This is the basis of my thesis. I recognize Dr. Baxter's point about security, but I am hopeful that this could be handled.

Senator JAVITS. Thank you very much, Mr. Chairman.

Thank you, gentlemen.

Senator JACKSON. Dr. Baxter, I have just one or two questions.

I asked Mr. Sprague about whether or not the threat in the years to come will increase or decrease. I wonder if you would care to comment on that point. I am speaking of threat, you understand, in the broad, across-the-board challenge presented by the Soviet-Sino bloc.

Mr. BAXTER. I think it probably will increase some, Senator, simply because I believe that though the Russians may dish out a few more of the good things of life to their people, they are still going to continue on a high rate of capital formation and the allocation of a larger proportion of the pie to defense, because of their aggressive intentions, and because of the impression that that policy of theirs makes on our allies, on the Communist world, and on our own people. If that is so, if they continue their rapid rate of increasing their gross national product and the Chinese do, too, it is possible that the situation may get more serious. Whatever it is, I think that we are not a stagnant people ourselves. I think we just have to hitch up our pants and go to work on this thing, and keep ourselves in a position so that we can deter an attack, regardless of what the threat may be from overseas.

I think we can do it. Look at all that we do not do now, because we prefer to spend money on other things.

Senator JACKSON. I assume, Dr. Baxter, that you would agree that we are in a situation now where we will not have a second opportunity to provide for an adequate defense in the event that the Soviets decide on general war.

Mr. BAXTER. Well, I think it is a matter where you have to have continuing coverage. You have to not only be prepared as of 1960, but you have to be prepared as of 1961, 1962, 1963, on the best intelligence that you have, and, consequently, you have to make it clear that at no period is there going to be a temptation to anybody to try to get the better of us either by a sound calculation or by miscalculation, which could be very dangerous.

Senator JACKSON. Maybe I did not make myself clear. What I am trying to get at is this: Is it not true that modern weapons systems, including intercontinental ballistic missiles, with thermonuclear capabilities, confront us with a different kind of a challenge than we have had to face in the past, where time and space were allies that pulled us through World Wars I and II. Is that not true?

Mr. BAXTER. That is right, sir. The whole basis of our lackadaisical attitude toward preparedness turned on the fact that we had an ocean on either side of us, and it took, in Jefferson's day about 7 weeks to get across it. Now with intercontinental ballistic missiles you can hit every airbase we have in 20 or 22 minutes.

Senator JACKSON. Our survival, then, depends on the wisdom that we exercise now in determining the deterrent forces necessary for survival?

Mr. BAXTER. Yes, Senator. It seems to me that it is not a thing where we can take a target date and say that 1962 is going to be the worst year, and get set for that, and then relax and slump down. I think this calls for a continuing effort.

Senator JACKSON. What I am getting at is this: Would you say that it would be the better part of wisdom if one is to err, that it be on the side of an adequate effort rather than on an inadequate effort, dealing as we are now with the question of deterrents to all-out war?

Mr. BAXTER. Yes, sir.

Senator JACKSON. Can we afford to take an unreasonable risk in this area as we did prior to World War I and World War II?

Mr. BAXTER. I don't think we can.

Senator JACKSON. To follow any other course means destruction; does it not?

Mr. BAXTER. Well, sir, I think that it calls for a greater resolution and firmness than we have had to show at any time except in those grim days of 1940, 1941, and so on. It is a really tough business because it is a lot more easy to keep people keyed up in wartime effort, to give up, as we did, the production of automobiles and so on, than it is over a really long cold war pull. But I do think that we are right up against it and we are going to have to do it.

Senator JACKSON. Do you have any additional comments that you wish to make with reference particularly to the subject of education?

Mr. BAXTER. Not unless something occurs to me, Senator, later, that I would like to put in. It seems to me we had a pretty full budget today. I did not want to do more than mention the educational part.

Senator JACKSON. I want to say to you, Dr. Baxter and to Mr. Sprague, that your contributions here have been so thought-provoking as far as I am concerned—and I am sure that is true of the other

members of the committee—that I almost feel impelled to indicate to you that we will want you back for some more counsel, advice and help. I hope you will not object to that at the proper time.

Mr. BAXTER. Thank you, Senator.

Mr. SPRAGUE. Thank you, Mr. Chairman, very much.

Senator JACKSON. We again want to express our deep appreciation for your invaluable contribution in this hearing today.

Mr. BAXTER. Thank you very much, Mr. Chairman.

Mr. SPRAGUE. It has been an honor to be here.

Senator JACKSON. The Chair wishes to announce that the committee will meet tomorrow, and the last witness in this immediate series will be Thomas J. Watson, Jr., president of the International Business Machines Corp. He will appear at 10 o'clock tomorrow morning.

The committee will stand in recess until 10 a.m. tomorrow.

(Whereupon, at 1 p.m. the committee was recessed, to reconvene at 10 a.m., Thursday, February 25, 1960.)

ORGANIZING FOR NATIONAL SECURITY

THURSDAY, FEBRUARY 25, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Mundt and Muskie.

Also present: Senators Robertson and Stennis.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

This is the third public meeting of the Subcommittee on National Policy Machinery of the Senate Government Operations Committee.

Our subcommittee is embarked upon an undertaking unique both in importance and complexity. We are trying to discover how well our Federal Government is now organized to discharge its heaviest single responsibility—devising and carrying out an overall national security program which is bold enough, wise enough, and soon enough to assure the survival of our country and our free institutions during this protracted period of cold war conflict.

We are determined to make our study nonpartisan and thorough. We will recommend constructive organizational reforms wherever these appear in order.

This week has been devoted to "stage-setting" hearings which will furnish a foundation for subsequent hearings dealing with specific problem areas of Government organization.

We have been privileged to receive extremely valuable testimony from three eminent Americans who discussed the total challenge confronting our country today and in the years ahead, as it relates to organizing for national security. I refer to Mr. Robert A. Lovett, the former Secretary of Defense; and Mr. Robert C. Sprague and Dr. James Phinney Baxter III, both of whom served on the Gaither Committee.

Our witness today, Mr. Thomas J. Watson, Jr., is one of the most distinguished and successful industrial leaders in the world. He is also a public-spirited citizen, with a high sense of civic responsibility, who has devoted much time and thought to the problem of our Nation's survival in this mid-20th century world. His wide-ranging business contacts throughout the world have given him a sense of perspective afforded few others.

Mr. Watson is now president of the International Business Machines Corp. He served for 5 years as a bomber pilot in our Army Air Force. He is a member of the corporation of Brown University and the Massachusetts Institute of Technology. This list of civic and philanthropic organizations in which he participates is long and varied.

Mr. Watson, it is a great privilege to have you with us today. You may proceed in your own way.

**STATEMENT OF THOMAS J. WATSON, JR., PRESIDENT,
INTERNATIONAL BUSINESS MACHINES CORP.**

Mr. WATSON. Mr. Chairman and gentlemen, I appreciate the opportunity of appearing before this subcommittee.

The task to which you are addressing yourselves is of paramount importance to the future of our country and if I can be of some small help to you, I will be most happy.

You have heard several distinguished witnesses, men with vast experience in government and in education. Since I am just a businessman, I have been wondering what point of view I am bringing to your hearings. I have concluded that my point of view is that of a citizen who is concerned about the general posture of our country in today's world.

My qualifications for appearing are only those of an interested citizen and a businessman. The IBM Co. has been operating in an increasingly competitive market since World War II and we have had to make major changes in our operations to meet this competition. Therefore, I am sure that many of my reactions about our response to the international competition now being thrust upon our country are based upon my business experience.

Like many Americans, I have been devoting a great deal of thought to the Soviet problem. It interests me for several reasons. First, I visited the Soviet Union in 1937 as a tourist and traveled across Siberia to Manchukuo on the Trans-Siberian Railroad.

Second, I was stationed in Russia for 5 months in 1942 as a U.S. Air Force pilot and saw a great deal of the people and the country. Third, and most important of all, I believe the present challenge of the Soviet Union for world domination is serious—the most serious problem our country has faced in decades. If we meet the problem sensibly, it can certainly be solved and we can continue as a world leader.

My whole thesis today may be summed up in one word—realism. We must be realistic about the Soviets—their strong and their weak points—and we must be realistic about our own accomplishments and shortcomings.

There is a singular lack of realism in our modern United States and it has evolved quite naturally. We have built the finest form of government and the finest way of life in history. We live amid creature comforts and luxuries which are almost unbelievable to most of the rest of the world.

Everything we have is so nearly perfect that increasingly since World War II we have devoted our attentions toward preserving the present way we live—toward preserving the status quo.

No nation bent on preserving the status quo has survived. We cannot remain stagnant. We must rise to the tasks that face us as a Nation, whether or not we like the situation or the tasks, in order to advance steadily and retain the world leadership that we enjoy today.

I believe that the most essential requirement confronting us as a Nation is this: To honestly recognize that we face the challenge of our lives in the Soviet Union. Realism, as I have said, must be a part of every American's outlook. It is a primary requisite for victory over Russia.

It would be nice to think that everything the Russians do is wrong and ineffective. This conclusion tends to make us underestimate the potential of the Soviet Union. This we are doing almost daily.

While we are unrealistic and comfortable in our present way of life, the Russians are completely realistic—realistic to a degree almost inconceivable to Americans—about what it takes to achieve their goal of becoming the most powerful nation on earth. I began to appreciate the realism of the Russians during my stay in their country in 1942.

This last summer I went back to visit the Moscow Fair where an IBM machine was answering questions about American life. Here again I was impressed with their realism. Listening to their questions to our bilingual people convinced me that they believe in communism. They do not strongly object to their low standard of living because they believe that this is necessary to the achievement of their goals.

They have an intense pride in their jet aircraft, their use of atomic energy, their sputniks; in fact in all of their progress. Incidentally, within Russian borders one hears only of peaceful uses of atomic energy, not the military uses.

They are master propagandists. There are displays of missiles throughout the country and they are usually not models, but missiles that have been somewhere and show it by the marks made as they reentered the atmosphere.

It seems to me to be completely unrealistic to hope that the Soviet empire will topple automatically. It seems equally unrealistic to think that if somehow Soviet citizens could be brought to America in large numbers to see how we live that they would then go home and change their system to one of democracy. The Soviet system is well enough accepted by the average citizen so that the possibility of drastic change or revolution can be discounted.

If we can begin to look at the Soviets in these terms, we can begin to achieve a realistic appraisal of our present status and a realistic plan for continuing our world leadership.

Coexistence with the Soviet Union may be possible and may be achieved without sacrifice of pride or dignity, but it can only come about by being prepared for war until an acceptable disarmament agreement is reached.

We all recognize the ambition of Mr. Khrushchev for Soviet success and world control. I spent 3 hours with him in an IBM plant in San Jose last October. Contrary to some of his appearances, he was reserved and polite with us. Underneath his reserve, however, one could feel a formidable personality—a driving ambition—great vitality and leadership ability and a cold realism that was almost

physical. He and his people know exactly where they want to go and how they propose to get there.

I believe that the winning of any contest begins with ideas. The creative thinker is the priceless ingredient of progress. We have been famous for nearly 200 years for fostering an atmosphere which has produced the original thinking we have needed to build our Nation. The atmosphere is not as conducive as formerly to the breeding of new ideas.

It is all too easy to criticize new and creative approaches. President Eisenhower's invitation to Mr. Khrushchev was a courageous and imaginative step in seeking a solution. Yet he was criticized. This tendency to reject the new and the creative act is all too prevalent in our country today.

These problems of national attitude are compounded by our confusion about our competitive posture in military and technological areas.

Freedom of speech is basic in a democracy, but we should be ingenious enough to have freedom of speech without confusing the public about our military posture. Perhaps we need a new governmental approach which will provide that all debate on a vital and controversial subject remain behind closed doors until there is some unanimity of opinion, or at least until the majority and minority views are crystallized.

I suspect that I am discussing a question of degree and governmental discretion. These same debates must have arisen in World War II, but rarely did they reach the public. This must have been because emergency had forced us into settling our military and budget differences privately, in order not to confuse the country and give aid and comfort to the enemy.

Perhaps we must realize that a similar emergency exists today. If we did, public testimony of subordinate military commanders against the official position of their commanding officers would be unheard of. You understand, I am not in favor of suppressing any point of view which could possibly be helpful to the national defense. I am just discussing what is the right place and the right time for such testimony.

In appraising Soviet advances—military and otherwise—one must be able to compare their accomplishments with our own. To do this is extremely difficult, for some say we are in a good competitive position while others say we are hopelessly behind.

The facts probably lie somewhere in between these points of view. Unless the Government can agree to some facts on a nonpartisan basis, it is extremely difficult for the man in the street to be anything but confused.

I believe we would do well to look at each other and admit that the Russians are ahead of us in certain areas. While we announced for months ahead of time that we were going to put up a satellite, the Russians quietly launched sputnik. Then we began to talk of how we were going to get to the moon. To our shock and dismay, lunik was already there—first again.

The next game apparently is to be a man-in-space game. We have been preparing for that by headlining the training activities and personalities of our seven astronauts. While I would not depreciate

them for one instant, perhaps it would be better to say less until the mission is completed.

Space accomplishments have captured the imagination of the world and we must recognize that we cannot be second best in space for very long and still command respect and hold world leadership. In a very real sense, we are in a war of scientific development as well as a war of production. We must have firsts—firsts in space and firsts elsewhere, if we are to continue to be leaders.

We may gain comfort and peace of mind by mixing our own doubts about our abilities in rocketry with thoughts of the superiority of our Air Force and other weapons. However, this kind of thinking is not conducive to long-term world leadership.

We have some firsts today and we can be proud of them. The atomic submarine and its trip under the pole are very real firsts and there are others, but we need more.

In addition to space, military, and other technological challenges, the Soviets now challenge us in the underdeveloped and uncommitted countries of the world. These nations have a population of about a billion people—a third of the world total. They have a great deal in common, despite their different cultures and varying stages of economic development. Radical political, economic, and social change is going on in all of them.

These emerging peoples are susceptible to new governmental philosophies. What their choice will be depends largely on how interested we, in our warm, comfortable America, become in their problems and how well we sell our ways to them. If we do not sell our democratic way successfully, the Soviets will be there seeking to sell their Communist way.

To those not living in the advanced industrial nations, communism, on the surface at least, is easy to describe with appeal. It offers what sounds like a magic road to success, proposing to take from the rich and give to the poor. Couple this magical sounding concept with recent Soviet technological successes and you have a package which cannot help but give the underdeveloped nations pause.

These peoples—this one-third of the world—demand economic development that will keep them from starving, medical attention that will keep their children from dying at an early age, and education and technical assistance to help them help themselves.

If we win these peoples to a way of life compatible with our own, the Western World will be a majority—but if most of them are lost to communism, we will be a small minority in the world.

So we must find a way to draw these uncommitted and underdeveloped nations and peoples to us. One important way of doing this is to increase our trade with them. To increase trade, we must continue to reduce our tariff barriers on a reciprocal basis. In this area also we are challenged by the Russians. Mr. Khrushchev has told us that they value trade least for economic reasons and most for political purposes.

We must realize that the Communists are fully committed to the contest for the underdeveloped nations while we, at times, seem uncertain and unwilling to decide whether we are in the race or not. We must decide to enter this race. Once decided, we must adhere to the program year in and year out. We invest abroad to help

ourselves and to help underdeveloped nations. Let us not get this investment in our future confused with altruism. It is a sheer necessity.

To meet these challenges of the Communists will require sacrifices. The English author, Barbara Ward, puts it this way:

At no time in history have nations been granted the privilege of defending themselves both successfully and also at a level they think they can afford. There is no reason to suppose that history has obligingly reversed itself for the benefit of the West.

We cannot just go along with a business-as-usual basis and hope to win. We have got to throw our economy into full-scale competition with the Russians, meeting their challenges whenever and wherever they occur. This is not an easy decision because realistically it means a departure from our present way of life.

We want to spend everything that is necessary for all of the programs to strengthen America; we want a balanced budget and we want the same or lowered taxes. These three are incompatible. One of our first sacrifices must be a willingness to accept higher taxes, if necessary, in order to accomplish our purpose of keeping America ahead of the world on all counts. There are no easy solutions.

I do not agree with people who suggest that we must not push our economy to any point necessary to win in competing with the Soviet because we then might lose what has made our country great. If we do not impose the strains necessary to win, it is obvious that at best we will live in a Soviet-dominated world, and at the worst in a Soviet province.

All of us are strongly opposed to greater Government controls, but I would rather have greater control by our Government under our system than to discover one day that "business as usual" had not been sufficient to win the battle.

Of course, there are many places in Government where savings can be made. There is no one—in or out of Government—who would deny this fact. The difficulty is that each of us wants to make the savings in a different area, usually in an area in which we are not vitally concerned.

I hope that a more bipartisan approach to this problem in the future can result in great savings, but I would hate to feel that any of our actions to combat the Soviet challenge would have to wait for these Government savings. Our President has addressed himself to this matter and has made substantial savings. We have the Hoover report on the same subject with attendant improvement.

It would be fine, of course, to make additional economies, but I would hate to have the village burn while the people debated whether to buy a new fire engine.

We must make the changes in order to survive. If we do not make our economy compete effectively with the Soviets, then they, not we, have the superior system, not from the point of view of rights of individuals, but by the very fact that theirs is the system that survives.

Certainly we do not want to spend 1 penny more than necessary, but an error on the low side might place this country in great jeopardy.

With an economy that is producing twice as much as the Soviets, and is producing four times as much for individual consumption per capita, these sacrifices should not really hurt us much. But even if

they do, we all will welcome whatever sacrifices are necessary when we realize the alternatives.

When a business is faced with problems due to increased competition, one of the fundamentals of reorganizing to meet this threat is to have a single individual charged with each responsibility within that business. This is done simply so that he can be rewarded if he does well or can be relieved if he does poorly.

It is extremely difficult to get a similar definition of responsibility throughout the Government, and yet I believe we must seek ways to achieve this type of organization if we are going to be able to move fast enough in the future to adequately respond to the Soviet challenge.

With the right organization and the right men, businesses are able to respond adequately. The responsible leaders must have complete authority and responsibility in their areas of interest. They must be able to stop study and discussion at any point where they feel they have enough facts upon which to make a decision.

Study and review beyond a certain point in the decision-making process of a business merely delays the decision and confuses the issue. Business managers must be courageous enough and have top management backing to make the decisions at the right time. The bigger the business, the greater the temptation to delay decisions and have committees study the problem. Thus, without very aggressive management, big businesses often slow down.

When one comes to the problems of managing the biggest business of all—the Government—the task is staggeringly great. Nevertheless, I am persuaded that the business approach offers the greatest chance for success.

This has necessarily been a very general discourse. In conclusion, may I summarize some of the things that I, as an ordinary citizen, believe we must do to bring our country successfully through this difficult time.

Our national goal should be clear superiority over the Soviet Union in all possible areas and we should believe enough in our democracy so that we will not be reluctant to fully enter the contest.

We must be coldly realistic about Soviet successes and our own and balance one against the other to evaluate where we stand.

We are in a crucial contest with the Soviet Union. Therefore, we must be willing to accept any sacrifices necessary to win.

We must cultivate an atmosphere which will foster the type of creative and unorthodox thinking necessary to find effective solutions to the Soviet problem.

We must eliminate or cut back all programs of Government spending which our commonsense tells us cannot be tolerated in an emergency.

We must balance our budget and even strive for debt reduction. To do this may well require more taxes for we must spend more in the areas where the Soviets are ahead or moving up.

Our foreign aid programs must be held at reasonable levels until the underdeveloped nations are economically independent. We must realize that we invest here in our enlightened self-interest and not for charity.

We must somehow avoid the type of public debate that confuses the country.

These are a few of the things we must do. They will begin to be accomplished when information flowing from Government to the people becomes clear enough so that the people can understand the emergency.

Finally, taken out of context, much of what I have said might be construed to be critical of either political party or of the administration. I want to emphasize that our present position is, in my opinion, no more the fault of one party than the other. The events which have brought us to our present status have evolved under at least two administrations, one of each major party.

I believe the Government is the shadow and the measure of the thoughts of the citizenry. Our present dilemma is caused by indecision on the part of most Americans.

The majority of Americans do not feel that the Soviet Union has a real possibility of dominating this Nation in the foreseeable future. When this possibility is fully understood, there will be no reluctance on the part of anyone to undertake the contest and win.

Senator JACKSON. Mr. Watson, as chairman of the subcommittee, I want to congratulate you on a fine, objective presentation of this initial problem that we are wrestling with in this committee.

I was particularly impressed with your theme at the beginning and at the end, of the necessity of a realistic approach, that we should be realists in this.

I am reminded, if you will forgive me, of a statement by Dr. Reinhold Niebuhr, the great theologian and scholar. This is what he said:

If the democratic nations fail, their failure must be partly attributed to the faulty strategy of idealists who have too many illusions when they face realists who have too little conscience.

I think it is a statement that is most appropriate in connection, I believe, with what you just said. I assume you would subscribe to that.

Mr. WATSON. I would, indeed, sir.

Senator JACKSON. It is a thoughtful and provocative statement from a great scholar.

I would like to ask two or three questions before I turn to my colleagues on the committee.

Mr. Watson, your company, I think, is an outstanding example of what can happen with bold and imaginative leadership, the kind of leadership that has encouraged creative thinking and left a lot of room for unorthodox opinions which has resulted in a growth story in American business without parallel, I think, in our history.

International Business Machines, I believe, operates virtually all over the free world. Is that not correct?

Mr. WATSON. That is correct, sir.

Senator JACKSON. You have plants abroad, some of them in a full production status, others assembly plants, and others distribution plants.

Mr. WATSON. That is correct.

Senator JACKSON. They are in the Far East, Western Europe, and so on.

Mr. WATSON. That is correct.

Senator JACKSON. You have had a great deal of experience as a businessman with our economy. You know something about the potential of our economy. I want to ask you:

Do you feel that our country can carry a greater load than we are now carrying in connection with this Soviet competition which is across the board—military, economic, political, and psychological?

Mr. WATSON. I do, sir, and I think that really our country has no choice but to undertake as great a load as is necessary to win the battle.

It seems to me that if we do not undertake whatever load is necessary, that we only can lose. Therefore, I certainly agree that we should carry whatever load is necessary to win.

Senator JACKSON. I take it from your statement that you certainly feel we are not doing as much as we should be doing in various areas.

Mr. WATSON. I do, sir.

Senator JACKSON. You have traveled abroad considerably, and I know that with your company activities abroad you certainly keep in touch with public opinion abroad. Would you say that our prestige has been affected insofar as what our allies and friends think of us in those areas where we have always held a trump card, our industrial, our scientific, our technological capabilities?

Mr. WATSON. Yes, sir. I believe our prestige received a tremendous blow abroad when the Russians put their sputnik into orbit before one of our satellites. I was dining in Frankfurt, Germany, the night we attempted the unsuccessful launching of our first satellite. It was quite a long dinner. I remember very well the German waiter coming in and reporting to me throughout the dinner, "Now they are getting ready to launch your satellite. Now it is being counted down."

Then there was a long period. Then with great disappointment in his face and his voice, he said, "Your satellite has exploded on the launching pad." You could feel by this individual more or less what was going on all over Western Europe.

I think up to that point we had been infallible in their eyes. I think at this point they now begin to wonder whether or not we are, in truth, infallible.

Senator JACKSON. It is rather humiliating for Americans abroad, sometimes, to be confronted with this problem.

Mr. WATSON. It is. It is difficult to explain.

Senator JACKSON. On my way to the Antarctic in October, I was in Christ Church, New Zealand, just before we took off for the South Pole. I would say the New Zealanders are as close and as loyal to our country as any of our allies. I found myself in a very difficult position of trying to explain when we were going to do something about the moon. At that point, several weeks earlier, they had hit the moon. At the point when I was in Christ Church, New Zealand, they had just taken a picture of the back side of the moon.

Naturally, when one is abroad, you explain and defend your country, regardless of what your own views might be at home. I might say that it was indeed an embarrassing situation. I never thought that, as an American, I would have to explain why we are in second place in an area where we have always been superior.

Mr. WATSON. I agree.

Senator JACKSON. Do you feel that this decline in our prestige is an important factor in connection with the overall Soviet threat?

Mr. WATSON. Yes, sir; I do. I think that to be leaders, you have to win in most of the areas in which you compete, and unless we can continue, or once again begin to win in most of the areas in which we compete, I think we will slowly lose the imaginative ability and

leadership that has been our stock in trade for decades here in this country.

Senator JACKSON. And whether we like it or not, is it not a fact that many of our allies, at least, have serious doubts as to what direction we are going in this competition with the Soviets?

Mr. WATSON. Yes, sir. I believe that is true. I believe we have serious doubts ourselves.

Senator JACKSON. And our allies echo those doubts.

Mr. WATSON. Yes; they do.

Senator JACKSON. Do you have any specific recommendations in any area of Soviet competition that you would like to mention at this time?

I want to say, as I told Mr. Lovett, Mr. Sprague and Dr. Baxter, we value your testimony. I know that we will want you to come back later. If you have any specific thoughts now, fine. If you do not, that is fine.

Mr. WATSON. No, sir; I do not believe I have any specific recommendations. As I said at the outset, my qualifications are basically those of a businessman and a citizen. I think we have to compete harder. I believe in our abilities to do anything that we set ourselves up to do in this country. I think it is just a question of making the decisions that we are going to do it.

Senator JACKSON. You certainly do not subscribe to this philosophy that if we make this effort, we will bankrupt ourselves?

Mr. WATSON. I do not; no, sir.

Senator JACKSON. You have great faith in our free enterprise system, its resilience, its vitality, and its durability to do whatever is necessary in order to survive, and to outstrip the Soviet in all areas of competition?

Mr. WATSON. Yes, sir. I have enough faith in it to pit it against the Soviet or any other system on a full-scale, competitive basis, and believe implicitly that under those conditions we would win.

Senator JACKSON. Would you want to say that maybe this competition could be good for us, that it might bring out some of the best in us? Would you say that maybe when you acquire the rich standard of living that we have acquired over the years, that the very richness in our system could be the seeds of our own destruction unless we faced up to a competitive situation such as we face now?

Mr. WATSON. I think that is correct. I think there are some very ominous parallels in history of very rich nations in the past and what has happened to them. I would think that the need to compete against the Soviets, if we accept the challenge, could be one of the greatest things that happened to the United States in a long time.

Senator JACKSON. Rather than to abhor this competition, we might welcome it with the realization that we could be a stronger and a richer and a better country for it.

Mr. WATSON. Yes, sir.

Senator JACKSON. Senator Mundt?

Senator MUNDT. Mr. Watson, I have enjoyed your statement and appreciate your ideas.

In your statement you point out something which I certainly discovered to be true in my two trips behind the Iron Curtain. That is, when you say about the Russians, and it is equally true about the Communists in the satellite countries, that they believe in communism.

They believe in it almost, as my observations indicate, as though it were a religion, a creed.

They are a little bit myopic about it. They believe that everything that is good is involved in communism, and everything that is bad is involved with the free enterprise system. I do not think they have a very balanced approach.

Mr. WATSON. I agree with you.

Senator MUNDT. One of their great weaknesses is that they believe too much in the infallibility of their system, which is wrong, but at least they believe it. It would be helpful, I think, if all our Americans, young and old, indigenous or immigrants, would believe in our American concepts with at least the same enthusiasm and determination that the Communists believe in communism.

Talking to you now in your capacity as an educator and as a member of boards of trustees and governors of educational institutions, I wonder whether you feel there is anything that might be done, differently or better, by our colleges, universities and secondary schools to be sure that those who pass through them believe in our way of life as enthusiastically as Communists believe in communism?

Mr. WATSON. That is a very broad question, Senator Mundt. I will do my best.

Senator MUNDT. I think it strikes to one of the very weaknesses that we have.

Mr. WATSON. I agree with you.

I think that if in educational institutions around the United States, as well as in all other circles, we could thoroughly understand the significance and danger of the competition we are engaged in with the Soviet Union, we would essentially reerect a frontier for America, which would give us a goal toward which we would be working, and I think we flounder a little bit today for lack of a goal.

Most always in our background we have had a frontier, something to strive for. This is what the Soviets are striving for. They are striving for a higher standard of living; they are striving for greater respect in international circles, and so forth.

For a while we had all of these things, and I think that sort of took away from us the ambition that a frontier creates. So educationally, I would think we could do better to convince all of the students in our educational institutions that we are under a great challenge from our enemy or our potential enemy, the Soviet, because then I think everybody would work with a more dedicated fervor.

Many of you, I am sure, have been to Moscow University or have seen Soviet students. They work in what you adequately described as almost religious atmosphere in trying to learn and gain, and somehow we have to bring this same thing to our own institutions.

Senator MUNDT. Do you think it might help if we were to set up something in this country, on which I have been laboring for some time with a group of interested people, which we would call a Freedom Academy, through which people might pass who go abroad to represent us, great business concerns such as yours, or Government employees, or even as tourists, so that at least those emissaries that we send abroad would perhaps go with at least a refresher course on those things about America which are good, and a little more comprehensive knowledge of the weaknesses they might find there?

I think you have had the same experience I have had, that in a certain sense every American abroad is an ambassador, good or bad, for the United States. He is like the fellow away from home; he is an expert. He has to be in a position to defend our position, if he gets cornered around the coffee table with somebody on the other side.

It seems to me that through the use of something like this, like a Freedom Academy mechanism, it would train a little better the people we send overseas. When they send a fellow overseas, he is a pretty good person. He may come looking like a farmer or looking like an expert in international business machinery, and so forth, but basically and fundamentally he is a Communist; he is an agent, perhaps espionage agent, perhaps an agent provocateur, but at least an agent of salesmanship.

I think when we send people overseas or when they go overseas, if we could make them a little better missionaries for freedom, we could be helping a little bit to get the kind of world opinion that we want.

Mr. WATSON. I agree with that. I believe that if we could educate our Government people first, because I believe this would be amenable first to the Government people; I would think that American business would avail themselves of those facilities if it were possible.

I think it might be a little bit difficult to get tourists to do such a thing, because they usually are more on a vacation than on any attempt to be good ambassadors, although I think all we can do in briefing tourists as to how they ought to operate is good.

I have noticed in my trips recently that at your port of exit in the United States you are given some sort of a little booklet which tries to impress upon you the importance of conducting yourself well while you are abroad. I thought this was a small step in the right direction.

Senator MUNDT. Yes, it is, and we have been working in that direction for a long time. All of those things are to the good. A tourist going abroad can get from Pan American for \$1 a pretty good book about the drinking water in every country and the kind of weather that they are going to have, and where the good nightclubs are and which are the better class hotels.

It seems he could carry with him in his tourist kit something like you described, which would be helpful.

Senator JACKSON. Shouldn't what you suggested be the role of every university, every school of higher learning, to give the kind of education that will make these young people coming out more thoughtful and conscious of the challenge that we face, and the necessity of having some of that spirit that every British student had in the 19th century, an understanding of worldwide responsibility, the survivability of the British Empire being an indispensable part of the curriculum in the grade school, in the high school and in the colleges of England?

Senator MUNDT. I certainly would favor that, and I believe Mr. Watson in response to my first question indicated that. We were talking about, in this Freedom Academy, something like I propose in Senate bill 1689, which would set up a special training course.

I quite agree that fundamentally, primarily, it should be for Government officials, who go over as good Americans, as good soil conservationists, perhaps, as good consular officers, or good newspapermen. But they should go over there also knowing these differences and

distinctions between their way of life and our way of life, so when they get there they can be good missionaries.

One statement you made, it seems to me, is subject to two interpretations. I think I know the interpretation you imply, but I want to make sure.

You said:

It seems equally unrealistic to think that if somehow Soviet citizens could be brought to America in large numbers to see how we live that they would then go home and change their system to one of democracy.

I do not believe you mean for any of our people to go over there and reestablish the Iron Curtain.

Mr. WATSON. No, sir. I think the freest possible exchange between our country and theirs is a good thing because it brings about better understanding. However, I think there are some unrealistic Americans who feel that our system is so good, not only for us, which I firmly believe in, but so good that anyone else who gets a chance to really understand it will automatically subscribe to it.

I think this gives them comfort. I think they feel, "Finally the Soviets will find out how our democracy works and they will want to have one just like it." I think this is wishful thinking.

Senator MUNDT. I quite agree. I quite agree also that by having them come we create in their minds some standards of comparison which they never had before, and we sow some seeds of unhappiness which were not there before. If we are going to have them come, we jolly well ought to do it on a quid pro quo basis, with our people equally going over there.

That is why I think we should have something like a Freedom Academy, to make sure that when we send people over there, we will send people who will work in the right interests.

In your statement, you say:

The creative thinker is the priceless ingredient of progress. We have been famous for nearly 200 years for fostering an atmosphere which has produced the original thinking we have needed to build our Nation.

While you do not say it, or dilate upon it, it seems to me that there you point to one of the great encouraging features, a kind of a candle that we can hold up in all this gloom about the contest between Russia and the United States, because this we have, the capacity to develop creative thinking in a free world which they certainly must lack to a certain degree by virtue of the effort they make to cramp everybody's ideas into one mold.

Do you think that is true?

Mr. WATSON. Yes, sir; I agree with that 100 percent. I wanted to get across the idea that while this atmosphere and channel is completely open to us in our democracy, that we are limiting the atmosphere somewhat and making it, I think, increasingly difficult for people to do the creative, unorthodox thinking here, because as a country we seem to be a good deal more interested in the orthodox than normally we have been.

As a consequence, I think people who take unorthodox approaches are sometimes subject to great criticism. I tried to illustrate it by President Eisenhower's invitation to Khrushchev. I asked the State Department if they wanted to show Khrushchev our IBM plant in San Jose, Calif. I got some letters that said this was a good thing.

I think the power of our industrial democracy is an important thing for a Soviet to see. But I got a lot of letters that roundly criticized me for that act as being sympathetic to the Communist point of view, as being unrealistic in the position of our country and so forth.

I do not know how you go about combating such an attitude. Personally, I do not mind such letters. But I suspect that it does have an inhibiting effect on how much creative thinking we get out of the intelligentsia of this country.

Senator MUNDT. Yes, but in a long-pull contest, and we are thinking in terms of a cold war which is not going to be short lived, I am sure, at best, it seems to me there are great advantages adhering to the side that not only permits but encourages the type of creative thinking we have in this country, as against a system which discourages it and where one bad guess means you are all done and are in trouble.

Mr. WATSON. I quite agree with you.

Senator MUNDT. We are tolerant enough in our system where we do not decapitate a man because in the process of creative thinking he comes up with one idea which is worthless.

Mr. WATSON. I quite agree with you.

Senator MUNDT. You touch on a very sore toe in your statement, Mr. Watson, but you come up with a very challenging new concept, when you discuss the fact that these debates which occur and these differences of opinion confuse the public—certainly that is true—and when you indicate that perhaps more testimony should be taken in executive session and less in public session until we arrive at consolidated points of view.

You swim against the tide down here, where after every meeting a host of able reporters and observers are out in front of every committee room after every executive session trying to weasel a word out here, sneak a phrase out there, and build upon it, where sometimes unhappily leaks flow from a committee room.

I am happy to say, Mr. Chairman, we haven't any in this committee.

Senator JACKSON. We have it right out in the open.

Senator MUNDT. Yes; but those things do occur. There is a great fetish on this right to know, and understandably so. Still there is a recognition, I am sure, that sometimes better good can be served if we just do not tell everybody everything in the process of making up our minds.

How do you arrive at this happy situation where, in a democracy, the people know all the things that they should know, and still you do not go so far down that road that everybody else in the world knows what you are thinking, too, and you are operating constantly in a goldfish bowl, where a man from the Kremlin can sit there and know as much about it as we?

Mr. WATSON. Sir, I did not want to come down here with criticism that was not constructive. I spent a lot of time on this point and a lot of time discussing it with associates. I have not had a good answer. I can only contrast what is happening today with what happened during World War II.

For much of World II, I was not in this country, but I did not see in the papers that I had a look at a great deal of debate as to whether or not our military strategy was right or wrong, as to whether or not

we were spending the right amount of money, building the right kind of airplanes, and so forth.

So the best I was able to do in submitting this report to you was simply to say, "Well, it worked a little better in World War II than it does now, and perhaps if we were to recognize that we are really in an emergency situation that comes awfully close to active war, then it seems to me that if everybody recognized this, we might at least get back to the amount of controlled information going out that we had then."

I thought it was at an acceptable level then, and I think it is at a confusing level today.

Senator MUNDT. I certainly agree as to the confusing level, when you have one Congressional Record, one Senator from one State, saying that we virtually are unprepared, and unable to defend ourselves, and another Senator from an adjacent State get up and spend an equally long period in the Congressional Record saying we are completely impregnable; there is nothing to worry about.

What is the fellow on the street going to decide? Here are two Senators, both of them honest men. What is he going to decide? I wondered if what you were driving at wasn't this: That in World War II, World War I, it was not so much a matter of law as it was a matter of self-restraint that kept public officials from saying things which conceivably could be of service and comfort and use to the enemy.

Mr. WATSON. That is right, sir.

Senator MUNDT. It seems to me that if somehow we could develop in this country, No. 1, a little greater self-restraint on the part of public officials who say things apparently without evaluating their impact (1) on the people of America who should not be confused, who should be led in the right direction; and (2) upon our adversary, if we could develop public officials who exercise in the cold war substantially the same degrees of constructive self-restraint they exercise in every hot war, and then if we could develop among the people a tendency to applaud the official who exercises the restraint instead of applaud the fellow who blows off his top, it might have a good impact on the problem you have in mind, without getting a law or without really closing down the source of legitimate information.

Mr. WATSON. I would agree with that, Senator.

Senator MUNDT. Is that about what you have in mind?

Mr. WATSON. Yes, sir.

Senator JACKSON. At that point, Mr. Watson, of course, the Constitution does provide that the Congress must provide for the common defense. In other words, every Member of the House and Senate takes an oath to support and defend the Constitution.

While the President is Commander in Chief, the resources that he has available to him stem from the Congress. In a free society such as ours, with the importance of new ideas and responsible and constructive criticism, Congress has a serious constitutional responsibility. I think you would agree with that.

Mr. WATSON. Yes, sir. I am quite aware of that, and I think it is a very valuable check and balance to the country. That is why I tried to say here that I am not in favor of suppressing any point of view that would be helpful to national defense, but I did say I was discussing what is the right time and right place for such testimony.

Senator MUNDT. And, of course, Congress has the same constitutional authority and responsibility in peacetime and in war. All you are saying is if we would exercise that responsibility in a cold war with some of the same circumspection that we utilize in a hot war, maybe everything would come out a little better.

Mr. WATSON. I do not want to have implied to what I am saying or the views that I hold a critical attitude to any group or individual. I would like to just reflect that I think the United States is somewhat confused. I think it would be to the great advantage of the United States if somehow we could unconfuse them as to what our present posture is, and what is necessary to be done to put us in the position that we deserve to be. It is toward this that I was trying to speak.

Senator MUNDT. And if we could unconfuse them, to accept your coinage of a good term, don't you think it would stimulate them to support a little greater, and sacrifice a little more for an effort which they better understood?

Mr. WATSON. Yes, sir. I think that once the American people—if I am right, and if we are in an emergency, and if our very future is threatened, I firmly believe that once most of the citizens of the United States are convinced of this, that there is almost no height to which they would not rise to preserve what we have in this country.

Senator MUNDT. You have good precedent for that in every war that we have been in. I suspect there have been substantial minority viewpoints which say, "Well, maybe we hadn't ought to have gotten into that war. If we had done something differently we wouldn't have gotten into it."

But they don't go around criticizing it once the war is on. We have a pretty fine American unanimity of performance in wartime. We don't have to put many people in jail for doing things that give aid and comfort to the enemy.

There is a shooting war going on and we know it then. That is pretty prosaic, but it is harder to get that concept across in a cold war period.

Senator JACKSON. Wouldn't you say that our people are not adequately informed? I think that is the tenor of your remarks. They would do more if they were adequately informed as to the threat?

Mr. WATSON. Sir, I know what you are implying, and my own view is very close to yours. I think it comes back to this realism and the fact that a great many conflicting facts are thrown out, conflicting points of view are through out to the people. I think that they do not want to hear bad news. I do not; you do not, I do not think; most of us do not want to hear bad news.

Unless we can get this bad news that ought to be gotten out to the country pretty clearly defined and pretty generally subscribed to by everybody in Government, then I think it is asking too much to believe that the average citizen will believe that there are things that he ought to do, and sacrifices that he ought to make to help the country out of the bind.

Senator JACKSON. You suspect that not all of the bad news is out?

Mr. WATSON. Sir, I have enough bad news to get me very alarmed. I do not know whether I am exaggerating the situation, but I suspect that perhaps there is enough bad news around, if you want to pick it up, but I just think it has to be hammered home more.

Senator MUNDT. In other words, what you are talking about is that there is probably an adequacy of information, but it isn't channeled. It is very difficult for the recipient to sort it out. You would like to have a sorting out process here in the central town.

Mr. WATSON. I think, Senator Mundt, I would prefer to see it sorted out, to at least some basic points of view that everyone in an official position can subscribe to.

Senator MUNDT. I think that is a very correct view and one which we would expect from a man interested in business machines, as you are, which are a sort of mechanism for sorting things out and keeping them in an orderly way.

You would like to see the world operate in this same sense of order, which is understandable.

Mr. WATSON. You attribute more ability to our machines than they have, sir. I wish they did.

Senator MUNDT. I would like to read one paragraph from your statement and comment on it.

To those not living in the advanced industrial nations, communism, on the surface, at least, is easy to describe with appeal. It offers what sounds like a magic road to success, proposing to take from the rich and give to the poor. Couple this magical sounding concept with recent Soviet technological successes and you have a package which cannot help but give the underdeveloped nations pause.

To that should we not add the following: that one of the great problems we confront in working with these underdeveloped nations is the fact that we are trying to sell them a concept and we are supporting a program and a policy advocating that they move in the direction of a system of government which requires on the part of the people certain aptitudes and abilities which they do not need to live under communism, because under communism you do not even have to have an educated populace, and perhaps you do better with an illiterate populace, because you are running it on a monolithic structure, from the top down?

When you are trying to help a country develop a system which operates from the bottom up, it is inevitably a more difficult job than trying to impose something which some tough leader can run from the top down. How do we meet that? There is a disadvantage which we have.

Mr. WATSON. I quite agree with that, sir, and I think it makes our system much more difficult, and I think it is the reason why in many underdeveloped countries they naturally go into a dictatorship, because the monolithic structure has a good deal better chance to operate.

How you meet it, I do not know. I think we have to be a lot better able to sell the means through which we have reached our high standard of living and many accomplishments. It is not enough to say, "We have democracy; we have a high standard of living; therefore, you must accept democracy so you will, too." I do not think they can go through that reasoning process.

Senator MUNDT. In our country they grew up together, the processes of exercising self-restraint and self government, and the processes of the expanding industrial mechanism that provided a high standard of living. They grew up over a century and a half.

It is a little hard when you have to meet the problem obtusely, and here you have an illiterate, uneducated group of people, in an undeveloped country with a low standard of living, and you are trying to

sell the idea that if they could exercise freedom, democracy and private enterprise, everything will come out all right 100 years from now.

The other fellow says, "You buy our system. We will put a guy in on Tuesday, to cut up your farm, give you a piece of land," and this and that. This is a difficult selling job. You are a master salesman. How would you do it?

Mr. WATSON. I have no immediate answer for that, sir. I do think you can find little islands of hope around the world in areas where they have a leader who subscribes to a democratic point of view and makes considerable progress. But to broadly answer how you do it, I cannot.

Senator MUNDT. I have one more question and then I will yield to my colleagues.

On your final statement:

The majority of Americans do not feel that the Soviet Union has a real possibility of dominating this Nation in the foreseeable future. When this possibility is fully understood, there will be no reluctance on the part of anyone to undertake the contest and win.

I could not agree with any statement more than I could with that one. I have talked a little bit about what might be the neglected conditions of our schools and colleges and universities. I have talked about the proposal that I made in S. 1689, developing a Freedom Academy, to alert the people on the front lines.

I think there is another area we have not touched upon. I think one reason that we do not get the kind of support and the kind of concern on the part of the general populace on this menace of communism, the communism menace we are talking about and not Russia or the Russian people, although we agree that the international menace of communism is second to none any country has ever undergone, somehow we have not been able to get the people concerned about the fact that communism at home, eating like a cancer from within, must be just as dangerous as communism hammering at the front door from without.

We have tended to move away from a realization at home that the Communist here and the so-called insolent American at home who joins every front organization that is available and still is a good American, but serves and profits the enemy, do you think of anything we can do to sort of get our home base protected and get people to realize that communism is an evil and malignant thing whether you see it in New Guinea or whether you see it in New York?

Mr. WATSON. No, sir; I am not sure that I believe that there is a great undercover Communist movement within the United States that really threatens our country from within. I am conscious that there are Communists in this country. I am conscious of the fact that they have maneuvered themselves on occasion into fairly important and significant posts in the United States.

But I really do not believe that the United States has been substantially weakened from the Communist menace from within. I am much more concerned with the Communist menace from without than from within.

Senator MUNDT. I know that is a typical attitude, and it seems to me it is one of the reasons why the general public has not rallied to this very real danger from without, because somehow or other there is a feeling that it is not so dangerous if it is in this country, but it is terribly dangerous if it is in some other country.

Mr. WATSON. This is not what I meant to say, sir.

Senator MUNDT. I know, but you did say, I think, that you were not as much worried about it.

Mr. WATSON. That is correct.

Senator MUNDT. Of course, everything is relative. Nobody expects the immediate danger to be as great from within as from without. It does seem to me, and it is not the underground Communist apparatus alone, but it is all the open and above board propaganda, the insidious propaganda that goes out, in your reputable front organizations, written by Communist agents, supported by Moscow, that says why not have pacifism in this country, why have a National Guard in this country, why have universal military training in this country. Why not curtail all these guns?

This thing spreads out and fans out. It is spewed out from our own country and directed, as the FBI has shown so many times, directed directly by Communists. I think we have to be alarmed about that. It seems to me we must not be working on the roof of the house if the foundation starts to fall.

Mr. WATSON. I believe I said I was not as alarmed about Communists from within as I am alarmed by Communists from without. You have here a very delicate instrument to play, because if you worry more than you should about Communists within, you get a certain amount of intramural suspicion that can be as difficult on the morale of this country as attacks from without.

I think we have to be clearly realistic about how much damage is being done to our country from within, and take adequate steps to prevent such damage. I think we must be equally sure that we do not exaggerate this situation because if we do, then we have various people in this country suspecting other people and we inhibit this atmosphere of creative thinking that I am trying to talk about.

I am trying to say if you get more suspicion within than you need to protect your country, then the creative thinker is aligned with the Communists, some creative thinkers. I am sure all of us can recognize that this has happened in the past.

Senator MUNDT. I am not so much concerned about the creative thinker. I do not think he is going to hurt us. I am thinking about the creative propagandist; I am thinking about the creative agent provocateur. I am thinking about the creative originator of an espionage apparatus. I am thinking of pretty real guys that are supported by Russian gold.

Mr. WATSON. I am not disagreeing for an instant that we do not have to be very alert to those fellows.

Senator MUNDT. The thing that impressed me so much about your statement is the fact that you stressed realism. That is what I think we have to do. I wonder if the realistic thing to do is not to condemn communism for what it is, wherever you find it, and to try to weaken it and strengthen us wherever it functions, and be just as stern and realistic about it at home as abroad, because to overly exaggerate it at home is dangerous, but to overly exaggerate it abroad is equally dangerous, and to minimize it either place, I think, is equally dangerous.

Mr. WATSON. I quite agree with that.

Senator MUNDT. I yield.

Senator JACKSON. Would you say it is a lot cheaper to solve the internal threat than it is to solve the external threat?

Mr. WATSON. I would say that; yes. I think there are a lot fewer one place than the other, as I tried to say.

Senator JACKSON. When you deal with the external threat and, of course, I am referring to it as it affects the United States, not just as it may affect internally other countries.

But the Soviets have made it quite clear, if we believe Mr. Khrushchev, that he is going to bury us, that he is not going to have just better rockets and better satellites; he is going to have better factories, better homes, better schools, and everything. Isn't that your impression?

Mr. WATSON. That is exactly what he said.

Senator JACKSON. He is determined to convey, especially to the underdeveloped countries, the impression that a country that can, within 40 years, come from feudalism to an ability to outstrip the United States in certain industrial and technical aspects, is the kind of country that the underdeveloped nations should follow, because they, too, are anxious to come from colonialism, feudalism, to an industrial society.

Isn't this a rather devastating bit of propaganda by example?

Mr. WATSON. You bet it is.

Senator MUNDT. If the Senator will yield on that point, I think we are all concerned in what we must do to be positive that this proud boast of arrogance issued by Khrushchev that he expects to bury us does not come true. The thing I was trying to stress is the fact that we have too many gravediggers of Khrushchev's already in this country. We should get alert to them.

Senator JACKSON. I agree. The reason why we are holding these hearings is that we are—I know all of us are, on a completely non-partisan basis—trying to find a solution to this great philosophical challenge, and that is: Can a free society like ours outplan, outperform, and outthink a totalitarian society?

Mr. Khrushchev and others say "No." I think those of us around the table say "Yes." Certainly we hope out of these hearings to find a way and a means to compete in this area so that we will, as you have said, Mr. Watson, outstrip them in all of these crucial areas that deal with our survival in this all-out competition with the Soviets.

Senator Robertson?

Senator ROBERTSON. Mr. Watson, I have been pleased to hear your testimony. Incidentally, I was privileged to know your distinguished father. He and I were made honorary members of ODK, the college leadership fraternity at Washington and Lee University, at the same time.

I am glad to hear you reiterate the warnings sounded here yesterday by Mr. Baxter and Mr. Sprague, that our Nation faces a grave and imminent threat to its survival. I give credit to the Fourth Estate for giving due publicity to the purpose of that warning. NBC carried it, I understand, last night in television in its news program.

Unfortunately, equal publicity was given to the fact that the Senate was concerned about something else. Equal publicity was given to the fact that the Senate is worried about who is going to vote this fall in Alabama, or whether somebody is going to be denied the right to vote, and they ought to have a Federal official down there to register them; 10 hours a day or more are being devoted to that, and next week

it will be 24 hours, around the clock, on a program all of which is, in my opinion, unconstitutional, unnecessary, and politically motivated.

I want to know from you: How do you think, if the Senate is going to say that should have top priority—and I doubt if they would ever get us to function 24 hours a day on this defense program, or it would be rather hard to do—how are we going to get the country to be aware of the message that Mr. Sprague and Dr. Baxter brought to us yesterday and which you have brought to us today?

What is your comment on that?

Mr. WATSON. I honestly believe, Senator Robertson, that although both activities down here are important, I honestly believe that the people of the United States are sensible enough so that they in their own minds will put one above the other in the correct order and will devote their attentions to the most important.

I do not know very much about what you are talking about in connection with the other thing that is going on here in Washington, but I take it—

Senator ROBERTSON. You have seen in the papers that we are not doing anything else, I suppose.

Mr. WATSON. The civil rights debate? I must say that the civil rights debate is not, in my opinion, unimportant in the posture of the United States abroad. I think that we talk about civil rights as we sell our democracy abroad, and I think we have some doubts abroad as to whether or not we are as interested in total rights for everyone as we say.

Therefore, I cannot really say that one is unimportant and the other is vitally important. I am really not qualified to answer your question, sir.

Senator ROBERTSON. My question was, How are we going to get the people aroused over the threat? You said to us—

I believe that the most essential requirement confronting us as a nation is this: to honestly recognize that we face the challenge of our lives in the Soviet Union.

I am sure you meant that.

Mr. WATSON. I do.

Senator ROBERTSON. Well, what can we do about it?

Mr. WATSON. I think that if we could convince everybody in Government that this was the fact, we would go a long way toward achieving that warning. I think that a lot of people say that there is such a challenge and agree with me, and a very large number of people do not believe it. I think it is a matter of convincing them.

Senator ROBERTSON. In your opening statement, you said you had given a lot of thought to the matter. Then you told about the problem dating back to 1937, and the Soviet Union, and about your trips to Europe in connection with your fine business operations.

I am very proud, and I know your father would be very proud if he were still living, of the way you have carried on both as a business executive and in the realm of public service, in a way that characterized your father's career over a long period of time.

What I wanted to know is: In addition to the observations you made in the Soviet Union and in Europe, and from what you have read in the press, what are the other sources of information that led you to make this statement to us that this is a very serious threat to our survival?

Mr. WATSON. What other sources of information?

Senator ROBERTSON. Yes. I assume you have some contacts with the Air Force, have you not?

Mr. WATSON. No, sir; I have none. I am in the Inactive Reserve and have almost no contact whatever. All of my conclusions are drawn straight out of the newspapers, the television, and the radio, plus whatever traveling I have done.

But I am alarmed because without hearing anything except the activity of the Russians in the satellite area, I draw the conclusion that they have an ability greater than ours, and in my opinion the United States can ill afford to be second in major power abilities to any nation in the world and continue to hold the position we want to hold. That is why I am alarmed.

Senator ROBERTSON. I understand from your testimony that you feel if we do not step our effort up, the time will come when we will be second.

Mr. WATSON. That is correct, sir.

Senator ROBERTSON. I assume that you do not think that the current budget for military purposes is adequate.

Mr. WATSON. I just do not believe, Senator Robertson, that I am in a position to comment on the adequacy or inadequacy of the present military budget. I do not know how much of the budget is going toward missiles, nor do I know how adequate the missile people feel about this amount of money.

But I think there is a great emphasis in the United States today on preserving the soundness of our currency, and fighting against inflation. I think that the present administration has done a great deal toward slowing down inflation.

I do not believe, however, that the defense of this country, and the adequacy of our defense posture, can be discussed in the same context as inflation or sound dollars. There is a connection, but I think one must come substantially before the other.

Senator ROBERTSON. I inferred from your statement that you would not object to seeing taxes increased as one method of meeting the Soviet threat more realistically, that you must have had in mind spending more for defense than was contemplated in the current budget.

Mr. WATSON. Yes, sir. I said that I wouldn't mind seeing taxes increased if necessary, and I would stick by that. I said it before in public. You relate that to the fact that I think we are not spending enough on military budgets.

Senator ROBERTSON. You understand, I am not a member of this subcommittee.

Mr. WATSON. I understand.

Senator ROBERTSON. I am a member of the subcommittee that appropriates the money for defense. I wanted to know from you and the other witnesses whether the budget is adequate or whether you think we should go further.

Senator JACKSON. For example, Mr. Watson, if we are second in the intercontinental ballistic missile race, do you think we should remain in that position?

Mr. WATSON. Of course not, sir. That is what I tried to say. I will give you a more direct answer than I perhaps have been able to do, by saying that I am convinced we have spent too little on missiles at some point in the past 20 years. Whether it is today, whether it

was 10 years ago or 15 years ago, I am not enough of an expert to know. And perhaps it is today. But we ought to establish whether it is or isn't and spend more money if we need to. Obviously, we cannot be second to the Soviets in missiles and have spent enough on it at all times.

Senator JACKSON. If we are second now, should we do more now?

Mr. WATSON. Absolutely.

Senator ROBERTSON. If we should do more, how should we do it—by spending more money?

Mr. WATSON. I understood Senator Jackson to mean should we be spending more money and that is what I was agreeing to.

Senator ROBERTSON. That is what I thought, that we should spend more money on missiles. Then the Air Force officers with whom I have talked have said there is nothing in the world superior to the B-70 bomber and they would like very much to have it.

Before another committee, in testimony which was subsequently released, it was said that it was absolutely imperative, and it was said that the Navy need six more submarines to fire the missiles. That all adds up to more money.

What I wanted to know, and I am on the Appropriations Committee, is are you here today advocating that we step up our defense by spending more money even if that involves heavier taxes?

Mr. WATSON. Yes, that is what I am saying. I am also trying to say that I am no expert in this area, and that I would think this would have to be established by you folks, more so than somebody like me who is just a businessman.

I am persuaded if you did everything that everyone in Defense wanted you to do, there wouldn't be that much money available.

Senator ROBERTSON. Thank you very much.

Senator JACKSON. Senator Stennis?

Senator STENNIS. Mr. Chairman, I certainly thank you, but I do not feel like taking up very much of your time or the subcommittee's time, at least. I am privileged to be here to hear Mr. Watson.

I will pass over a number of things I had in mind, Mr. Chairman, and say to Mr. Watson that what he emphasizes here is certainly I think, the real thing, and we have been glossing over it.

If I may make one comment on what Senator Mundt said, I have heard all the debates about communism in the United States. I think we did such a good job in teaching our people and ourselves that communism is sin, and we also sold ourselves that Russia was just a weak, second-rate, down-at-the-heels nation, with no strength, and we went to sleep, to a degree, until sputnik awakened us.

I know it has been thrown around in the Halls for years past that they might be on the verge of a revolution in Russia to overthrow the regime. I went over there for the primary purpose of detecting whether or not I could tell anything about that. I had not been there for 2 hours, and I realized that that was somebody's dream or wishful thinking.

So we get down to this situation, Mr. Watson, where you say we are clearly threatened and in danger. I certainly would not disagree with that. You say in your statement:

Our national goal should be clear superiority over the Soviet Union in all possible areas, and we should believe enough in our democracy so that we will not be reluctant to fully enter the contest.

Just what more should we be doing than we are doing? I believe in austerity, myself, and some belt tightening. I think the President is very sincere in what he says, and in his state of the Union message, but he said in substance that we are doing now what is necessary.

The Secretary of Defense said a few days later that things were looking good. His speech was described as rosy. As a businessman and one of the thinkers on this who is not afraid to come out and say things, what do you think should be done, if you can give us a bill of particulars? You have already mentioned the missile situation, and I think I understand you on that.

Mr. WATSON. Yes, sir. That is the most obvious one, and the one that I can understand most easily as a businessman because I do not have to take opinions. I know the weight that has been lifted and I know how far it has gone. I think we are going to have to spend more money in aid abroad. I think we are going to have to convince people that the foreign aid program is a necessary one, and I think we are going to have to convince the people that this must go on year in and year out.

If we do that, I think we will win a lot of these uncommitted nations and that will cost more money. So I agree with you that the austerity side of the thing is one that this country is going to have to subscribe to.

Senator STENNIS. I listened to a great part of the debate in the Senate on the so-called aid to education bill. It might have been mentioned, but I did not hear anyone mention the need of requiring more of the hard courses in high school, requiring English, mathematics, physics, chemistry, more of the hard courses, and more effort on the part of a student to stay in school.

I did not hear those things mentioned. Everything that I heard discussed was generally on the soft side. You are not an educator, although you are connected with education, and I am certainly not one, but what is the situation in that field?

Mr. WATSON. Well, I think it is slowly improving itself, sir. I think that people are taking harder and harder courses simply because some of the things in a democracy work pretty well, and I think that the requirement for engineers on the part of industry has put a great deal more premium on being an engineer.

As you know, their income has probably trebled since 1940. This directs more young people into the engineering line. I do not think that we can prescribe the type of courses people will take in school and college and still have the free country that we need. I think we have to let the democratic system put the premium on these kind of people.

Senator STENNIS. Do you mean you would let a youngster in his teens say what he should not take?

Mr. WATSON. I beg your pardon?

Senator STENNIS. Do you mean you will let a youngster in high school or junior high school decide what subjects he will take and leave off the ones he does not like?

Mr. WATSON. No. They do not do that now, do they? I am not aware of how high school curriculum works, but I think there are prescribed courses.

Senator STENNIS. I thought you would leave it up to a choice as to what he would take.

Mr. WATSON. I meant in higher education, sir. I perhaps did not make that clear.

Senator STENNIS. In getting back to more specifics, passing over the education matter, did you have anything else in mind? I have heard a great deal of briefing since we came in January. We are getting down to where we are going to have to put the figures in these bills in the Appropriations Committee, to say yes or no and then pass on to the next problem.

Do you have anything besides the missiles that you want to suggest?

Mr. WATSON. I think I mentioned undeveloped nations and trade abroad.

Senator JACKSON. In that connection, what about the space effort?

Senator STENNIS. Yes; that is very good.

Do you have any thought on the importance of the space effort?

Mr. WATSON. Yes, sir. I think it is of paramount importance. I just do not think we can afford another month of secondary position or another year. I think at best it is going to take some time to catch up. I thought that 2½ years ago we had a program that was going to catch us up so that by now the gap would be closing.

I understand from what I read that the gap is about the same now as it was when the first sputnik went up. Here is an area where I am really alarmed.

Senator STENNIS. If I may take one more question, there is an idea still abroad that the space program after all is kind of a man-in-the-moon proposition, that it has little or no military value, or any military connection.

You do not subscribe to that thought, I am sure.

Mr. WATSON. Not in any way; no, sir.

Senator STENNIS. Is there anything affirmatively you want to say on that point, in addition to what you have already said?

Mr. WATSON. I think not, sir. I think it is vitally important.

Senator STENNIS. I thank you very much, Mr. Chairman. I think this was a fine statement of the gentleman before the committee.

Senator JACKSON. Thank you, Senator Stennis. We appreciate your contribution and that of Senator Robertson.

Senator MUSKIE?

Senator MUSKIE. May I first of all express my complete admiration for your most impressive performance this morning.

While we are on the space problem, you mentioned something in your statement relative to the organization of our effort. I wondered if you had some impression of the adequacy of our organization in the field of space.

Mr. WATSON. If we were going to approach this problem in business, sir, in the business that I am familiar with, and we had missiles and we had space effort, and the vehicles used to accomplish each were so closely aligned, I am sure we would have a single effort within our company to approach and lick the problem.

As I understand it, the United States has two parallel efforts. As a businessman, I would think we should have but one.

Senator MUSKIE. Would you think that that effort ought to be primarily in the military or in the civilian branch of the Government?

Mr. WATSON. I had never addressed myself to that question before, but I would think it should probably be in the military. I would think that our enemy probably has his in the military.

Senator JACKSON. To clarify that point, Mr. Watson, would you say, generally speaking, that when you probe new areas of science—is it possible to separate the military from the civilian aspects?

Mr. WATSON. It would not seem possible to me, sir.

Senator JACKSON. Science knows no barriers in that respect; is this not true?

Mr. WATSON. That is correct.

Senator JACKSON. And the history of our great breakthroughs, like the atom, they have been military ventures but later revealed the enormous peaceful implications.

Is it not a fact that the diesel engine was first used in a military device, the submarine, but its application for civilian purposes became enormous and still is?

Mr. WATSON. Yes.

Senator JACKSON. Our big bombers made possible big transports, haven't they?

Mr. WATSON. Yes.

Senator JACKSON. There has been more or less a history of scientific breakthroughs in this area. I think there is a tendency to somehow have a simple formula that you separate the military from the civilian activity. I am very pleased that you are saying what I think is just commonsense: that it would take the work of more than a genius to be able to segregate these achievements in advance.

Senator MUSKIE. Would you be likely to get more breadth and depth for your program into outer space through the military?

Mr. WATSON. Well, sir, I understand that a great many of the people that are experts are civilians—in addition to the military—so I would think it would have to be a joint endeavor, wherever you put it, under civilian or military.

Since the immediate implication of it in connection with our future of the country is a military implication, it would seem to me it would have to be a military endeavor. I just do not know. But I know it is going to require a great many civilian scientists and a great many military theoreticians.

I understand the atomic bomb situation worked about that way, with a great many military and civilian people on it.

Senator MUSKIE. Would you say the progress would be greater with civilians in the initial stages than later, when you are implementing your findings with new weapons?

Mr. WATSON. Yes.

Senator MUSKIE. Mr. Watson, I will try to avoid any ground that may have been covered up to now in my questioning, but I was interested in your evaluation of the Soviet Union, its potential and the attitude of its people.

I must say that you have said exactly what I would have liked to have said with respect to these points. But to nail down some of these generalizations for my own satisfaction, would you say that the Soviet economic potential, its wealth-producing potential, is as great or greater than ours?

Mr. WATSON. I am no expert on what they have in the ground and what their natural resources are. In 1942 when I was there and watched their Army at work, I thought they could never be a real threat to the United States, but when their satellite went up and when I went back and took another look this last summer, they had made

such strides in many of the areas that I had pooh-poohed them for in 1942 that I would say with the number of people involved and the land mass involved, that their economic potential probably could be equal to our own.

Senator MUSKIE. Following that up with another question, would you say that they have the capacity for developing this potential in a balanced way?

Mr. WATSON. What they consider a balanced way and what we consider a balanced way, I guess, are quite different, because their balance does not include anything but the bare minimum necessities for their people.

Senator MUSKIE. May I put it this way: Have they the capacity for doing it in such a way as to avoid imposing strains, any imbalances in their economy which would lead to its collapse?

Mr. WATSON. Yes, sir; I believe so.

Senator MUSKIE. Would you say they have the technological know-how to develop their resources?

Mr. WATSON. Yes, sir. The only place that I am at all expert there is in the computing field, and I saw a number of their computers last summer. I am sure they did not show me their most recent ones. While they were somewhat more crude than our computers, I thought they indicated a very sophisticated approach in the art of computers.

I would say that they must have the capability of doing everything they want to set their mind to do.

Senator MUSKIE. Would you say that it is inevitable that the development of the Soviet potential will eventually meet ours?

Mr. WATSON. No, sir; I don't think that is inevitable, because I have a great belief, as I am sure everyone in this room has, in the free way of life developing the greatest potential of individuals. I would think if we can put ourselves fully into the contest and not worry too much about the economic consequences, let them take care of themselves, not do anything more than we need do but do everything we need to do, that the ability of free men in a free economy would be superior to the ability of semicaptive men in a strictly regimented economy.

Senator MUSKIE. You are saying, then, that the incentives for individual excellence and performance do not exist in the Soviet Union?

Mr. WATSON. They do not exist to the same degree that they do here. They have had to use a good many things that we have pioneered here in America, or the democracies have pioneered. For instance, they pay their teachers tremendous wages comparatively, and they have used the incentive system in many places. But we know by just reading the papers that if somebody comes up with an idea that they do not like, that this fellow is pretty well pilloried. They are strictly controlled in what people can think, what they can do, how they can move around the country. These are things that we have that I think are great strengths and they will never be able to equal them as long as we stay alert to what we have to do.

Senator MUSKIE. I asked you the question I just did in the light of your statement, to which Senator Mundt has already referred, that you think their people believe in communism. Then at another point, and you discussed this with Senator Mundt also, you stated

that if somehow Soviet citizens could be brought to America in large numbers to see how we lived, that they would not be inclined to go back home and change their system to one of democracy.

If this is so, if they do believe in their system to this extent, is this belief not a sufficient incentive in the terms that we are discussing?

Mr. WATSON. It is a great incentive to them, sir. I just do not believe it is as great an incentive as a free society motivated in the correct way and clearly alert to the emergency it faces.

I am glad you recognized that point, because I think that too many Americans feel that our system is so good that once anybody else understands it, they will just accept it and that is the end of it. I would think if the Soviets knew more about us, that their system could slowly become a more liberal system, not just because they knew more about us, but because they knew more about all countries outside of the Soviet Union.

I think the fact that they are educating their people, even just down limited lines, is a very helpful thing to our point of view. But I do think that there are too many Americans who feel that they border on the state of collapse, as somebody said earlier. They simply do not.

Senator MUSKIE. I would like to make a distinction in making this point between the potential satisfactions for the individual and the economic potential of the country. I couldn't agree with you more, of course, that our system holds a greater potential for individual satisfaction in all respects, intellectual and material, than the Soviet system. But I am talking about absolute production capabilities, production in ore and so forth, and all the other economic measures in relation to producing capabilities.

In these terms, would you say that the Soviets will catch up with us at some point, and accepting the assumption that we agreed upon earlier, that probably the material potential, that is, the economic potential of the Soviet Union is as great as ours?

Mr. WATSON. Yes. I would still say that they probably would not, because I think motivation is a tremendous factor in a country or an industry, I find companies in my own field that have the same amount of ability that our own company has, and they are either greater or less in their performance than we are. I think it is largely a matter of morale, leadership, and organization. I also understand that the total Western World has a good deal more capabilities than the Soviet Union. I think if we can organize ourselves together to work in the right direction, there is no question but what we would stay well ahead.

Senator MUSKIE. At the present time we have been told that our rate of growth is about half that of the Soviet Union. If these two rates prevail for some period in the future, then they are going to match us. You are saying that they cannot, because of the lack of incentive. What you are saying in effect is that at some point their growth is going to level off at a lesser level than ours.

Mr. WATSON. That is exactly what I am trying to say. You say it better than I, sir.

Senator MUSKIE. This is the reason that you put for it, the lack of incentive at some point going to catch up with their effort and slow it down.

Mr. WATSON. I would think so.

Senator MUSKIE. That is an interesting point.

Mr. WATSON. If it doesn't, it does not bode very well for us in the future, regardless of what we do.

Senator MUSKIE. The thing that impressed me about the Soviet effort when I was there last fall is that apparently they have, physically and quantitatively, the resources, at least the equivalent of ours, and, secondly, that in the field which we studied, which was power, hydroelectric power, their technological know-how was at least as good as ours, and that probably they could develop a similar know-how in whatever area they decided to devote their attention.

So if you have the quantitative resources and the technological ability to develop to match ours, then adding 2 and 2 it would seem to me that you could reach 4, that at some point their actual economic potential would be the equivalent of ours.

This may be an oversimplification, but this is what I was trying to get your reaction to.

Mr. WATSON. Well, I am sure that I believe that competition, freedom, and all of the things that have made us great, probably will at some point be able to prove its superiority to the other way of operation.

Senator MUSKIE. Let us put it the other way. If we say, and I think we agreed on this, that the incentives for individual excellence are greater in this country, then would you say that we ought to be applying that excellence in such a way as to increase our rate of growth at the present time?

Mr. WATSON. Yes, I certainly would, sir.

Senator MUSKIE. In other words, if we are going to reach a level higher than that at which the Soviet level levels off, we will have to do more than we are now doing?

Mr. WATSON. Absolutely.

Senator MUSKIE. Would you say at some point in this Soviet economic development they will begin to devote a larger portion of their wealth-producing facilities to consumer satisfaction?

Mr. WATSON. Yes, sir; I would think they would have to. I understand this is one of the reasons that Khrushchev is increasing in popularity, because there are more consumer goods available now than there were just a few years ago.

Senator MUSKIE. There is some question, I think, whether or not his effort is a token one or an honest one in terms of the aspirations of his people. I know, for example, his housing program. Their objective in the current 7-year plan is 15 million units. That is an average of a little more than 2 million units a year. This seemed impressive until one realizes that they have no houses to start with, and that this 2 million units is barely going to equal the increasing need and do nothing about the backlog.

Although their effort is great in this field, I wondered whether or not this was simply a temporary token gesture to satisfy his people or whether at some point his concept of the Russian society would admit a higher absolute standard of living for his people. I thought you might have gotten some impression of this from your conversations with him, and from your observations of his country.

Mr. WATSON. Impressions as to whether or not what he was trying to do came from his heart or whether it was a token?

Senator MUSKIE. Yes.

Mr. WATSON. Sir, I think I would have to say that his attempt to improve his people in a material way probably came from his heart.

But this is just my opinion. No matter where it comes from, they have been improving slightly. He has a bull by the horns, however, because the more he improves their educational facilities, the more he improves the way they live, the more the people come to desire more freedom. There are, as you know, a few automobiles running around the Soviet Union now that are privately owned.

Senator MUSKIE. And running around very recklessly, too.

Mr. WATSON. That is correct. It seems to me that the more freedom people get, the more they want. He will have a very real problem in running a totalitarian state 10, 15, or 20 years from now, provided we remain strong and he is trying to compete, with all his people hungering all the time for more and more freedom.

Senator MUSKIE. Would you say that this, plus the Soviet emphasis on education, are two forces that may eventually lead to a yearning for greater freedom?

Mr. WATSON. Yes, sir; I would.

Senator MUSKIE. I would like to turn to the other side of the coin for just a minute. In your statement, I was interested in your list of things that we must do. I get the impression from this statement that you feel all of us, in the governmental sector and in the non-governmental sector, are enjoying services, programs, and luxuries that we must learn to do without to some extent.

Mr. WATSON. Yes, sir; that is correct.

Senator MUSKIE. This means in the nongovernmental sector, the consumer sector, more taxes, which is about the only effective way that you can control consumer consumption.

Now, if this should be effective—and I know you have not given us a figure on what you think the additional spending might be—to the extent that additional taxes are imposed, I suppose this reduces consumer purchasing power.

Mr. WATSON. That is right.

Senator MUSKIE. What would be the impact of this on our national growth?

Mr. WATSON. Well, sir; I think if you are spending more in the military area and restricting through taxes expenditures in the consumer area, that while there would be some difficulties with individual enterprises and some disjuncting, I would think it would level out very shortly, and that it would have no great impact on the country. We have made such shifts before.

Senator MUSKIE. You must have in mind with respect to the governmental sector the things that we ought to be doing without. I wonder if you would be interested in specifying those.

Mr. WATSON. Well, the things that we ought to be doing without and are not?

Senator MUSKIE. And are not doing without, that we are now enjoying in the governmental sector.

Mr. WATSON. Sir, I tried to say that it is almost impossible for me as a civilian to try to tell you what these areas are. They are areas that I think we should be cutting down, and there are areas that you think we should be cutting down, and perhaps our areas would not be the same. I think that the only way we will get Government expenditures reduced in any way is to recognize the seriousness of the emergency in which we find ourselves. For instance, I don't know what the solution to the farm program is. It is a deep and involved

problem. I do know that we are storing more and more surpluses in this country. And I do know that if we are in an emergency, nobody, even the farmers themselves, would want to continue on this tack. What the solution is is more than I can say.

Senator MUSKIE. And more than I can say.

What would you think of such things, for example—and I don't want to get too detailed, but to ask questions that really would be appropriate—to give something illustrative of the thinking, what would you think, for example, of the post office problem? I heard a figure the other day to the effect that our deficits, our total budget deficits over a period of several years, is almost the equivalent of the post office deficits over the same period. I think that is the accurate figure.

What would you think, for example, of what is in effect a governmental subsidy for various types of business mailing?

Mr. WATSON. As a businessman, I would think that the post office ought to be put on a basis where it entirely carries itself, rendering a public service that ought to be compensated for, and I should think they would put their rates up to a point where they would be fully compensated.

Senator MUSKIE. This same point of view is expressed by all beneficiaries of postal service, but when we get down to specifics, it is always suggested by each group of beneficiaries that some other group ought to be carrying this load. Of course, this is human nature. First-class mail, I think, carries its own weight. I do not think there is any question about it. The President has asked for an increase. In second- and third-class mail it does not pay its own way, so in effect we have a Government subsidy.

Would you believe so strongly in the objective of a balanced post office budget, that you feel that each class ought to pay its own way?

Mr. WATSON. I am really not competent to discuss the post office problem, but going back to what I said initially, it would seem to me that every service that the post office renders ought to be paid for on a basis where it loses no money.

Senator MUSKIE. Let's get away from that. You have more important things to contribute to our discussion than your views on the post office, I am sure.

The important point that you are making is, and this is what impressed me, I think, most of all in your statement, that we ought to be cleaning up our housecleaning, eliminating the unnecessary services, but we should not wait for that time until we increase our effort in the field of missiles, defense, and so on.

Mr. WATSON. That is correct, sir.

Senator MUSKIE. In the field of education I would like to ask just one question which I do not think was covered in your colloquy with Senator Stennis. That is this: Do you think that the National Government is doing enough in the educational field?

Mr. WATSON. I would like to think the National Government would do enough in the educational field so that anybody who wanted to obtain a college education in this country could obtain it through scholarship and from the Government. I do not know whether this is the fact now or not.

If it is not, we should be doing more. If it is, we are probably doing about all that we need to do.

Senator MUSKIE. Let me put this problem to you: I think the scholarship aid program is one of the answers, but I do not think it is the total one. I am thinking, for example, of my own State. We are among the first three States of the country in the percentage of youngsters who finish high school and among the last three of the percentage who go to college.

This is not in my view an economic or a scholarship problem. I think one of the difficulties is that our high schools are so small and lack resources to the extent that they do not expose these youngsters to the wide range of educational interests, opportunities, and fields to create the incentive in them to seek higher education.

So it seems to me to come down to the problem of adequacy of resources in the various States. These vary a great deal. If I am right in this evaluation, would you conclude as a result that the national effort in the elementary and secondary level, at least the secondary level, ought to be greater than it is?

Mr. WATSON. Yes; I would certainly think that if they were inadequate in any States and the State's resources were inadequate to improve them, that it should be a responsibility of the Federal Government.

Senator MUSKIE. Thank you very much.

Thank you, Mr. Chairman.

Senator JACKSON. Mr. Watson, I just have a few more questions and then we will conclude, unless Senator Muskie has further questions.

Senator MUSKIE. Well, Mr. Chairman, like you, I would like to spend all afternoon with Mr. Watson.

Senator JACKSON. Would you say, Mr. Watson, whether the cold war will be long and drawn out in your judgment, whether it will increase or diminish in intensity in the years ahead?

What should we be preparing for?

Mr. WATSON. I would think we should be preparing for a long cold war, and I would think that the only way it could diminish would be by ourselves beginning to win consistently or by the Soviets beginning to win consistently or the developing into a hot war.

I discount the latter because I just do not think it is going to happen. Either one of the former contemplates a pretty long-term proposition.

Senator JACKSON. You feel that one way to diminish the duration of this contest is by building our strength in all fields, military, economic, psychological, political, and so forth?

Mr. WATSON. I do.

Senator JACKSON. You feel that the deterrent that we need to develop is not just a military one alone, but our overall capability as a Nation?

Mr. WATSON. Absolutely.

Senator JACKSON. And this will mean more of our resources better utilized and better exploited for this objective?

Mr. WATSON. Yes.

Senator JACKSON. Senator Stennis had to leave, and he wanted me to ask you this question. I am interested in it, too. If you can answer it, fine, and if you cannot, all right.

As a former bomber pilot, what is your attitude on the question of the B-70, which is a supersonic bomber? Do you have any views on it?

You have indicated your views on missiles and space, that we should be doing more than we are doing now.

Mr. WATSON. I am a prejudiced witness, sir, because the IBM Co. had the guidance system of the B-70 and we lost it when it was cancelled. But as a citizen, I will answer the question.

Senator JACKSON. That is a very fair way to approach it. You go right ahead.

Mr. WATSON. I think the missile has much more of the ability to capture the minds of the uncommitted nations and all of our allies. I think we must strive for excellence in missiles, this being at the border, at the frontier of defense.

I think if it is impossible to excel in missiles across the board, we must consider other things, new airplanes and new approaches of different kinds. I think if it is a question of do we excel in missiles or build additional airplanes, I think we must say we must excel in missiles. If there are enough dollars involved to build both, I think it is fine.

Senator JACKSON. That is a very fine answer, and a very objective answer, obviously.

Don't you feel, however, that we have the resources and the capability of building supersonic manned bombers which might come in very handy in a given military situation, with ability to recall this weapons system should such be necessary?

Mr. WATSON. Yes, sir. I do not know whether we have the resources, because I do not know how all the dollars add up. I have heard, just as a civilian, this argument that the aircraft can be recalled. I think that is a great advantage.

But as I understand it, even a supersonic aircraft to go from here to there would take several hours, 3, 4, or 5 hours, and that a missile to go from here to there is only 40 minutes. So this ability to recall is only confined to a tenth or a fifteenth of the bomber's flight. This is a strategic matter and one that I am not really able to answer on, but it did not seem to me to be a very powerful argument for the airplane.

Senator JACKSON. Could I suggest a couple of other questions in this area?

Mr. WATSON. Yes.

Senator JACKSON. Let us suppose that it is not to be used as a manned bomber, but that it might lead to, as other weapons systems in the past, manned weapons systems, to supersonic transport.

Can you foresee the possible utilization of such a system in dealing with the problem of limited wars, the movement of troops and supplies, with rapidity?

Mr. WATSON. I can, indeed; absolutely.

Senator JACKSON. As we mentioned earlier, it is a fact, is it not, that the development of these weapons systems has been the forerunners to the development of civilian transportation? I think we have a tremendous number of examples in that area.

Mr. WATSON. We do, indeed.

Senator JACKSON. If we do not put it into a weapons system, are we not going to be confronted with a request to subsidize the development of this system for civilian transports? Isn't this possible?

Mr. WATSON. I think that is very probable; yes, sir.

Senator JACKSON. So if we look at it very realistically, one way or the other there is going to be a requirement for a supersonic manned aircraft. I think the British have already indicated they are going to push this. I am sure that the transportation industry in this country will push it, and that one way or the other they will ask for a subsidy.

I just wonder, myself, whether we are saving anything. We may be saving it out of the Department of Defense funds, but it will appear in some other budget within the overall Federal budget.

Mr. WATSON. I should think it well might.

Senator JACKSON. Just to summarize, Mr. Watson, I take it that in general it is your view that in this contest with the Soviets, we are obviously not doing enough.

Mr. WATSON. I think that is correct; yes, sir.

Senator JACKSON. Secondly, that this Nation is strong, virile and tough, and has the capability of doing whatever needs to be done in order to survive.

Mr. WATSON. I also agree to that.

Senator JACKSON. I want to conclude by saying that it is oftentimes said that big business in this country represents such extreme conservatism that they are unable to understand the real menace of the Soviet threat.

There are those who say that they do not have the freshness of approach to compete with the Soviets. To all of that I can say, sir, that your presentation here this morning is an excellent answer to these allegations, which I do not accept.

I think you have brought to this committee and to the country this morning a freshness of thought that can bode well for the kind of effort that we need to make and can make and survive.

Mr. WATSON. Thank you very much, sir.

Senator JACKSON. I want to compliment you on the forthright, objective, nonpartisan and, in my judgment, intellectually honest answers that you have given to questions and in your overall presentation to this committee.

I expect that we will want to call on you in the future to help in this objective effort that we are trying to make in coming up with a better solution to this long-range challenge of the Soviet Union. I assume you will not hesitate to join us in that effort.

Mr. WATSON. Certainly not.

Senator JACKSON. Without objection, the Chair would like to include, and I think it would be helpful, more complete biographies of the witnesses that have testified this week.

(The biographies referred to appear in the appendix, exhibit No. IV.)

(Whereupon, at 12:05 p.m., the subcommittee adjourned, to reconvene at the call of the chairman.)

APPENDIX

EXHIBIT I

THE NATURE AND FEASIBILITY
OF WAR AND DETERRENCE

Herman Kahn

Physics Division

P-1888-RC

January 20, 1960

THE RAND CORPORATION

Santa Monica, California

Copyrighted 1959
STANFORD RESEARCH INSTITUTE

Copyright © 1960
THE RAND CORPORATION

NOTE

This paper is a slightly enlarged and revised version of an article of the same title published in the Stanford Research Institute *Journal* for the fourth quarter of 1959. It summarizes some of the points discussed in a forthcoming book by Mr. Kahn to be published by the Princeton University Press in 1960. It was written as a private venture while the author was on leave from The RAND Corporation at the Center of International Studies, Princeton University. An abbreviated version of the SRI article was printed in *U.S. News and World Report*, December 21, 1959.

While this paper is published by The RAND Corporation as a convenience to the author and to fill the requests of the many groups to which he has lectured on this topic, the views expressed are solely those of the author and do not necessarily reflect the views of the Corporation.

THE NATURE AND FEASIBILITY OF WAR AND DETERRENCE ¹

* * *

"A nuclear war is too horrible to contemplate, too mutually annihilating to consider." Even if both sides believe this, a potential aggressor still has a capability of staging an unlimited number of "Munichs." For only one side to believe this, whether correctly or not, might lead to the most catastrophic mistake of history—to either a Pearl Harbor or an Armageddon.

We are now entering the fifteenth year of the nuclear era. Yet we are increasingly aware that we have a great deal to learn about the possible effects of a nuclear war. We have even more to learn about conducting international relations in a world in which force tends to be increasingly more dangerous to use and therefore increasingly less usable. Moreover, the basic foreign and defense policies formulated early in the nuclear era badly need review and examination.

¹ This paper summarizes, sometimes rather cursorily, some of the points discussed by the author in a forthcoming book, *Thermonuclear War: Three Lectures and Several Suggestions*, to be published by the Princeton University Press late in 1960.

✓ Possibly of first importance is the casting of doubt on the widely accepted theory that the very existence of nuclear weapons creates a reliable balance of terror. This theory commonly holds that a thermonuclear war would mean certain and automatic annihilation of both antagonists, perhaps even the end of civilization. This concept of certain "mutual homicide" has been comforting to some. It makes plausible the widely held conviction that as soon as governments are informed of the terrible consequences of a nuclear war, their leaders will realize that there can be no victors and, therefore, no sense to such a war. No sane leader would ever start one! According to this view, the very violence of nuclear war will act to deter it.

The mutual-homicide theory has other comforting aspects. If it be granted that each side can utterly destroy the other, then expensive preparations to reduce casualties, lessen damage, and facilitate postwar recuperation are useless. Can we not spare ourselves the financial burden of such preparations? Such logic has sometimes been carried further, for some have argued that modern weapons are so enormously destructive that only a few are needed to deter the enemy. Thus war can be deterred with much smaller forces than in the past; in any case, we certainly don't need larger ones.

✓ Many proponents of this mutual-annihilation view believe that it is important to emphasize the horror and impracticability of thermonuclear war. To do so will show that the need to settle our differences by peaceful means is urgent. Temptation will be removed from adventurers. It is clear that in order to

achieve success with such a psychological program it is necessary that the fears thus generated be mutual and reliable. To paraphrase a remark made by Jacob Viner, As a defense against aggression, fear—like fertilizer—must be spread evenly to be effective.

The mutual-homicide theory can be successful in forestalling an all-out nuclear attack only if both sides completely accept it. If only the West believes in it (and because of this belief drops its guard), the resulting negligence can be incredibly dangerous. Even mutual belief in the automatic-annihilation theory can still lead to trouble; the invitation to blackmail of the Munich type is still open. It is easy to see that to the extent that the theory may not be true—or that the Communists think it isn't—we should not weaken ourselves to the point where we court "Pearl Harbors" or "Munichs."

The mutual-annihilation view is not unique to the West. Malenkov introduced it to the Soviet Union several years ago, apparently arguing in the now-classical fashion that with nuclear war entailing the end of civilization, the capitalists would not attack; the Soviet Union, he said, could afford to reduce investment in heavy industry and military products and concentrate on consumer goods. A different view seems to have been held by Khrushchev and the Soviet military. They agreed that war would be horrible, but at the same time they argued that this was no reason for the Soviet Union to drop its guard: given sufficient preparations, only the capitalists would be destroyed. With some modifications their views seem to have prevailed.

WAR AND DETERRENCE IN 1960

Much depends, therefore, on the validity of this notion of the balance of terror. Is it really true? Would only an insane man initiate a thermonuclear war? Is war, at least of the thermonuclear variety, completely obsolete? Or are there circumstances in which a nation's leaders might rationally decide that a thermonuclear war would be the least undesirable of the possible alternatives?

It should be clear that if either the Soviets or the Americans ever become careless in the operation of their alert forces, it is conceivable that a war might start as a result of an accident, some miscalculation, or even irresponsible behavior. But the situation seems worse than this, for one can conclude that with current technology there are plausible circumstances in which leaders might decide that war was their best alternative. To recognize such possibilities is certainly not to endorse them.

To support this assertion about the "feasibility" of thermonuclear war, it is necessary to describe and evaluate the impact of a thermonuclear war and to describe the kinds of risks that might cause decisionmakers to weigh the alternatives of going to war and not going to war. The various phases to be considered in doing this are—

1. Various phased programs for deterrence and defense for the United States, allies, and neutrals.
2. Wartime performance of the total system under different preattack and attack conditions.
3. The acute fallout problems.

4. Survival and patchup.
5. Maintenance of economic momentum.
6. Long-term recuperation.
7. Postwar medical problems.
8. Genetic problems.

Because many are particularly concerned over the last three items, we will start with them.²

GENETIC EFFECTS OF THERMONUCLEAR WAR

Many biologists and geneticists are worried about the genetic effects of even the peacetime testing of nuclear weapons, and some imply that the future of the human race is being jeopardized by exploding a few bombs in the Pacific Ocean or the Soviet Arctic. One must grant that a lot of bombs exploded inside a country would be far more dangerous than a few exploded farther away. But would it be cataclysmic?

Calculations in this field are inherently uncertain, and experimental evidence is insufficient to be conclusive about some important effects. One study indicates that if, in a country that was hit by hundreds of bombs, the survivors of the attack took modest precautions they might average about 200 or 300 roentgens of radiation to their reproductive organs before age thirty. This is an enormous amount of radiation—one or two thousand times as much as people in the United States would receive as

² A systematic discussion of the eight phases of a thermonuclear war can be found in *A Report on a Study of Non-Military Defense*, The RAND Corporation, Report R-322-RC, July 1, 1958.

a by-product of the test program. It is fifty to a hundred times as much as they would normally get from natural sources. It is a large and frightening dose. It would result in much damage, but there is no evidence that it would be annihilating.

✓ If present beliefs are correct, the most serious genetic effect of this amount of radiation would be to raise by 25 per cent the number of children born seriously defective; that is, the rate would increase from the current 4 per cent of the total to a new level of 5 per cent. This is a high penalty to pay for a war, and more horrible still, one might have to continue to pay a similar though smaller price for twenty or thirty or forty generations. But it is still far from annihilation. This particular aspect of a war can be looked on as an intensification and amplification of the kinds of burdens we already bear in peacetime. Whether this extra horror of war will deter a nation from going to war depends on the pressures under which it labors and the alternatives it has.

MEDICAL PROBLEMS

There are medical problems other than the genetic ones: the bone cancers and leukemias that might be caused by strontium-90 and the other life-shortening effects of the internal and external radiation from fission products. Here again, analysis indicates that while the problems are horrible, they may well be within the range to which we are accustomed. For example, it is possible—as some scientists have claimed—that as a result of testing a large-yield bomb, unknown thousands of

people will get bone cancer or leukemia. The true extent (or whether the claim is true at all) is simply not known. In any case, acceptance of this concept leads many to think that if a few bombs in the distant Pacific or Arctic could cause this much trouble, a larger number of bombs closer to home would be totally catastrophic. Some military experts even assert that the so-called backlash fallout from the attacker's own bombs will be an automatic deterrent. Would that the problem of deterrence could be solved so easily!

The situation devolves to this: Even if it were true that every time a megaton explodes a thousand people die prematurely from the effects of the worldwide fallout—which would mean that testing a single 10-MT bomb in the Pacific would kill 10,000 people—this does not necessarily mean that the backlash from war would deter a determined decisionmaker. Assume, for example, that the Soviets dropped 5000 MT on the United States (a fairly large attack). This would mean that worldwide, 5 million people would die just as a result of the backlash. Less than half a million of these deaths would occur in the Soviet Union, however, and even those half million deaths would be spread over fifty years or so. The impact of these deaths would be less significant than, say, that of the annual number of deaths due to automobile accidents in the United States. So far as the object of the attack—the United States—is concerned, the effect of the fallout would be much more serious, but it might not be a total catastrophe. More and closer bombs cause more trouble than fewer and more distant ones—but not necessarily that much more. If the country is hit as hard as is

assumed, but people take advantage of the moderate protection that is available in existing buildings and take other simple measures (that is, do things that the Russians today seem to be doing or thinking of doing), both the long- and short-term effects of fallout are mitigated. With such preparations and some advance warning (the more preparation, the less need for warning) *most people can survive the short-term fallout effects even though the long-term effects are less avoidable.* The war might shorten by one or two years the life expectancy of those who were lucky or protected, and by five or ten years the life expectancy of those survivors who were not so lucky or well protected. In any case, life would go on.

ECONOMIC RECUPERATION

Economic recuperation also looks more feasible than is generally supposed. Most people—laymen and some experts—looking at the highly integrated character of a modern economy, argue that a nation is like a body: destroy the heart or other vital organs, and even though a few cells may linger briefly, the body dies.

This view is questionable. Suppose the United States or the Soviet Union were to be divided into two countries—an A country with the largest 50 to 100 cities, and a B country, the remainder. The A country cannot survive without the B country; but the B country, so far as we can see, can survive without the A country. Moreover, we estimate that B has the resources and skills needed to rebuild A in, say, ten years.

In other words, a country should not be considered analogous to a body with vital irreplaceable organs, but rather should be considered as two semi-independent pieces that trade with each other.

To continue the point, in most parts of the country it seems to be possible, by using existing construction and otherwise improvising fallout protection, to prepare the B country to receive evacuees from the A country and protect them in a reasonably satisfactory manner. If preparations have been made, then for most of the year fallout protection could be improvised on only a few days' or hours' notice. In the wintertime both the United States and the Soviet Union might need more time or better preparation.

Russian Civil Defense manuals (dated 1958) indicate that the Soviets are making such preparations. In addition, the Russians claim to have given every adult in Russia between 20 and 40 hours of instruction in civil defense, followed by a compulsory examination. Perhaps most important of all, their program seems to include preparations for evacuation to improvised fallout protection. How effective would such an evacuation be?

* * * * *

About 50 million Russians live in the 135 largest Soviet cities. If they evacuated, say, 80 per cent of these 50 million to their B country and left the remainder to operate the cities, all essential functions could be maintained while exposing only

about 10 million citizens. Also, having evacuated most of the urban population, it would be comparatively easy to evacuate those remaining. So long as our ICBM force is small, the Soviets wouldn't even have to execute the evacuation before they launched an attack, since they would have time to do so before our retaliatory force reached the majority of their cities.

Under these circumstances, if the Russians should strike first and were reasonably successful, our retaliation attack would not kill more than 5 or 10 million Russians and probably considerably fewer—unless things went incredibly badly for them. Thus they might lose only a fraction as many people as they lost in World War II.

In a particularly tense situation the Soviets could deliberately evacuate their A country in order to put pressure on us. Such an evacuation would make it credible that they might go to war unless we backed down. While this would give us a sort of warning, we might not act on it. We might refuse resolutely to be "bluffed." Unless we were willing to accept a Soviet retaliatory blow, the only practicable counteraction that we might have might be to back down or to put our Strategic Air Command on alert and hope that this action would be enough to deter them. The other possibility—to assume that they didn't mean what they seemed to mean—might be too risky. If we wished to be in a good bargaining position we would probably have to evacuate our own cities. (We have made almost no realistic preparations for such a step.)

Evacuation-type maneuvers are risky because they may touch off an attack by the other side. But so far as the Soviets are

concerned the probability of such an attack by us is small, particularly because we have made negligible preparations to ward off, survive, and recover from even a "small" Soviet retaliatory strike. They might accept the risk of attack. They would then be in a relatively good position to go to war if we didn't attack or back down. Thus the Soviets could start such a war in any circumstances in which Khrushchev finds the risks of not going to war larger than those of going to war.

Consider the bloody suppression of the Hungarian revolution by the Soviets. Much pressure was applied for the United States to intervene. We didn't. In fact, there are reports that we did exactly the opposite, broadcasting to the Poles and the East Germans not to rock the boat since no American aid was on the way. Assume that we had acceded to intervention pressure on that occasion. The Russians would then have been faced with three fairly serious choices:

1. They could do nothing. This could mean an almost automatic Polish and East German revolt. Such a revolt would mean serious political repercussions within Russia.

2. They could fight a limited action. But that would bring its own risks. The satellites might still revolt. In addition, if we fought a limited action with conventional high-explosive weapons, we might lose just by sheer weight of numbers. If we went to atomic weapons, it is doubtful that we would win and even more doubtful that the war would stay limited. The Soviets might easily believe that we were quite capable of suddenly expanding the scope of the war with a surprise attack against their strategic forces.

3. The third possibility might appear safer to the Soviets. Rather than wait for the satellites to revolt or for the limited war to erupt into a general war at a time chosen by the Americans, they might decide to hit us right away. They could argue that this guaranteed them the all-important first strike, at least if they hurried.

It is possible that a situation as potentially dangerous as the Hungarian revolt could arise again. We could get deeply, if involuntarily involved. Consider, for example, an East German revolt in which a rearmed West Germany felt obligated to intervene, or an all-out U.S.-Chinese war. If either of these events happen, our retaliatory capability must be so good that even if the Soviets evacuate their cities they will feel that a strike by them would be more risky than accepting whatever alternative seems to be in store. While I do not have space to discuss the difficulties of achieving this capability in the 1960-70 period, it is harder to accomplish than many suppose.

DAMAGE VERSUS COMMITMENTS

Even if one accepts the balance-of-terror theory and we don't have to worry about a deliberate Soviet attack on the United States, we are still faced with important strategic problems. In 1914 and 1939 it was the British who declared war, not the Germans. Such a circumstance might arise again; but if the balance of terror were reliable, then we would be as likely to be deterred from striking the Soviets as they would be from striking us, and it would be doubtful that the United States

would resort to an all-out attack on the Soviets, even to correct or avenge, for example, a major Soviet aggression limited to Europe.

That this now is plausible can be seen by Christian Herter's response on the occasion of the hearings on his nomination: "I cannot conceive of any President involving us in an all-out nuclear war unless the facts showed clearly we are in danger of all-out devastation ourselves, *or that actual moves have been made toward devastating ourselves.*"³

A thermonuclear balance of terror is equivalent to signing a non-aggression treaty that neither the Soviets nor the Americans will initiate an all-out attack—no matter how provoking the other side may become. Sometimes people do not understand the full implications of this figurative non-aggression treaty. Let me illustrate what it can mean if we accept absolutely the notion that there is no provocation that would cause us to strike the Soviets other than an immediately impending or an actual Soviet attack on the United States. Imagine that the Soviets have taken a very drastic action. I don't care how extreme or shocking you imagine it to be. Suppose, for example, that they have dropped bombs on London, Berlin, Rome, Paris, and Bonn but have made no detectable preparations for attacking

³ Whether he means it or not, Khrushchev speaks a different language. On January 14, 1959, in a speech to the Supreme Soviet, he said: "I am emphasizing once more that we already possess so many nuclear weapons, both atomic and hydrogen, and the necessary rockets for sending these weapons to the territory of a potential aggressor, that should any madman launch an attack on our state or on other Socialist states we would be able literally to wipe the country or countries which attack us off the face of the earth."

the United States, and that our retaliatory force looks good enough to deter them from such an attack. Suppose also that there is a device that restrains the President of the United States from acting for about 24 hours. The President would presumably call together his advisers during this time. Most of these advisers would probably urge strongly that the United States fulfill its obligation and strike the Soviets. (After all, you have to draw a line somewhere, and the Soviets have obviously more than crossed this line.) Now let us further suppose that the President is also told by his advisers that even though we will kill almost every Russian if we strike the Soviets, we will not be able to destroy all of the Soviet strategic forces, and that these surviving Soviet forces will (by radiation, or strontium-90, or something) kill every American in their retaliatory blow.

I find it difficult to believe that under these circumstances any President of the United States would initiate a thermo-nuclear war by retaliating against the Soviets with the Strategic Air Command. There is no objective of public policy that would justify ending life for everyone. It should be clear that we would not restore Europe by our retaliation; we could only succeed in further destroying it, either as a by-product of our actions or because the Soviets would destroy Europe as well as the United States.

There were two important caveats in the situation described: the President would have 24 hours to think about his response, and 177 million Americans would be killed. Let us consider the latter first. If 177 million dead is too high a price to pay for

punishing the Soviets for their original aggression, how many American dead would we accept as the cost of our retaliation? I have discussed this question with many Americans, and after about 15 minutes of discussion their estimates of an acceptable price generally fall between 10 and 60 million dead. (Their temporary first reaction, incidentally, usually is that the United States would never be deterred from living up to its obligations by fear of a Soviet counterblow, an attitude that invariably disappears after some minutes of reflection.) The way one seems to arrive at the 60 million figure is rather interesting. One takes about one-third of a country's population, or just a little less than half. (No American that I have spoken to who was at all serious about the matter believed that U.S. retaliation would be justified—no matter what our commitments were—if more than half of our population would be killed.)

The 24-hour delay is a more subtle device. It is the equivalent of asking, Can the Soviets force the President to act in cold blood, rather than in the immediate anger of the moment? The answer depends not only on the time he has to ponder the effects that would accrue from his actions, but also on how deeply and seriously the President and his advisers had thought about the problem in advance. This latter, in turn, could depend on whether there had been any tense situations or crises that forced the President and the people to face the concept that war is something that can happen, rather than something that is reliably deterred by some declaratory policy that is never acted on. (The effects of the war are usually considered

irrelevant to the declaratory policy, since it is assumed that the policy will deter the war.)

I have discussed with many Europeans the question of how many casualties Americans would be willing to envisage and still live up to their obligations. Their estimates, perhaps not surprisingly, range much lower than the estimates of Americans—that is, roughly 2 to 20 million. In fact, one distinguished European expert thought that the United States would be deterred from retaliating with the Strategic Air Command against a major Soviet aggression in Europe by a Soviet threat to destroy 5 to 10 empty U.S. cities.

Will the Soviets find the threat of U.S. retaliation credible? I have not asked any Soviet citizen, so I lack the advantage of any introspection. But we do know a great deal about Soviet decisionmakers; in particular, we know that they strongly emphasize that decisionmakers should be able to control their emotions. They probably would assume that we feel the same way. The Soviets do not believe in cutting off their noses to spite their faces. They write and seem to believe that one should not be provoked into self-destructive behavior. Thus it is hard for me to visualize the Soviets' believing that the United States would willingly commit suicide. In fact, I would conjecture that they would feel fairly certain about this matter. They could still be wrong. In the United States, there is no tradition of controlling one's emotions. We have tended to emphasize the opposite notion ("Give me liberty or give me death!") and if the Soviets are cautious they will realize this. However, if the Soviets were to test our resolve by instigating a series of crises,

they could probably find out experimentally, without running excessive risks, how much provocation we would take. No matter what our previously declared policy was, our actual policy and the possibilities would then be verified by the Soviets. Most important of all in the war of nerves, it is difficult to believe that the Europeans would have faith in our adherence to declared policy if it were strained; basically, the problem is to convince the Europeans if we wish to prevent appeasement as well as destruction.

Published unclassified estimates of the casualties that the United States would suffer in a nuclear war generally run from 50 to 60 million. If these estimates are relevant (which is doubtful, since they generally assume a Soviet surprise attack on an unalert United States), we are already deterred from living up to our alliance obligations. If they are not relevant, we ought to make relevant estimates for now and the future.

The critical point is whether the Soviets and the Europeans believe that we can keep our casualties to a level we would find acceptable, whatever that level may be. In such an eventuality the Soviets would be deterred from very provocative acts such as a ground attack on Europe, Hitler-type blackmail threats, or even evacuating their cities and presenting us with an ultimatum. But if they do not believe that we can keep casualties to a level we would find acceptable, the Soviets may feel safe in undertaking these extremely provocative adventures. Or at least the Europeans may believe that the Soviets will feel safe, and this in itself creates an extremely dangerous situation for pressure and blackmail.

THE THREE KINDS OF DETERRENCE

It is important to distinguish between three types of deterrence: *Type 1 Deterrence* (which the British call "passive deterrence" on the plausible, but possibly incorrect, assumption that it requires no act of will to respond to a violation) is the deterrence of a direct attack. It is widely believed that if the United States were directly attacked, its response would be automatic and unthinking. *Type 2 Deterrence* (which the British have called "active deterrence" because it clearly takes an act of will to initiate) is defined as using strategic threats to deter an enemy from engaging in very provocative acts other than a direct attack on the United States itself. *Type 3 Deterrence* might be called "*tit-for-tat* deterrence." It refers to those acts that are deterred because the potential aggressor is afraid that the defender or others will then take limited actions, military or nonmilitary, that will make the aggression unprofitable. These three types of deterrence will be discussed in turn at length.

Type 1 Deterrence (Deterrence against a Direct Attack)

Most experts today argue that we must make this particular type of deterrence work, that we simply cannot face the possibility of a failure. Never have the stakes on success or failure of prevention been so high. Although the extreme view that deterrence is everything and that alleviation is hopeless is

questionable, clearly Type 1 Deterrence must have first priority.

In spite of the many words lavished on Type 1 Deterrence, most discussions of the conditions needed for such deterrence tend to be unrealistic. Typically, discussions of the capability of the United States to deter a direct attack compare the preattack inventory of our forces with the preattack inventory of the Russian forces—that is, the number of planes, missiles, army divisions, and submarines of the two countries are directly compared. This is a World War I and World War II approach.

The really essential numbers, however, are estimates of the damage that the retaliatory forces can inflict after being hit. Evaluation must take into account that the Russians could strike *at a time and with tactics of their choosing*. We strike back *with a damaged and perhaps uncoordinated force*, which must conduct its operations in the *postattack environment*. The Soviets may use *blackmail* threats to intimidate our response. The Russian defense is completely *alerted*. If the strike has been preceded by a tense period, their active defense forces have been *augmented* and their cities have been at least partially *evacuated*. Any of the emphasized words can be very important, but almost all of them are ignored in most discussions of Type 1 Deterrence.

The first step in this calculation—analysis of the effects of the Russian strike on U.S. retaliatory ability—depends critically on the enemy's tactics and capabilities. The question of warning is generally uppermost. Analyses of the effect of the enemy's first strike often neglect the most important part of the problem by assuming that warning will be effective and that our forces

get off the ground and are sent on their way to their targets. Actually, without effective warning, attrition on the ground can be much more important than attrition in the air. The enemy may not only use tactics that limit our warning, but he may do other things to counter our defensive measures, such as interfering with command and control arrangements. Thus it is important in evaluating enemy capabilities to look not only at the tactics that past history and standard assumptions lead us to expect, but also at any other tactics that a clever enemy might use. We should not always assume what Albert Wohlstetter has called "U.S. preferred attacks" in estimating the performance of our system. We should also look at "S.U. preferred attacks"—a sensible Soviet planner may prefer them!

The enemy, by choosing the timing of an attack, has several factors in his favor. He can select a *time* calculated to force our manned-bomber force to retaliate in the daytime, when his day fighters and his air-defense systems will be much more effective. In addition, he can choose the *season* so that his postwar agricultural problems and fallout-protection problems will be less difficult.

The second part of the calculation—consequences of the lack of coordination of the surviving U.S. forces—depends greatly on our tactics and the flexibility of our plans. If, for example, our offensive force is assigned a large target system so that it is spread thinly, and if because of a large or successful Russian attack the Russians have succeeded in destroying much of our force, many important Russian targets would go unattacked. If, on the other hand, to avoid this we

double or triple the assignment to important targets, we might over-destroy many targets, especially if the Soviets had not struck us successfully. For this and other reasons, it would be wise to evaluate the damage and then retarget the surviving forces. Whether this can be done depends critically on the timing of the attack, the nature of the targeting process, and our postattack capability for evaluation, command, and control.

Our attack may also be degraded because of problems of grouping, timing, and refueling; in some instances our manned bombers might be forced to infiltrate in small groups into Soviet air territory and lose the advantage of saturation of the Soviet defenses. Whether or not this would be disastrous depends a great deal on the quality of the Russian air-defense system, especially on whether it has any holes we can exploit, and the kind and number of penetration aids we use. This aspect is complicated and classified.

Another point that may be of great importance is that modern nuclear weapons are so powerful that even if they don't destroy their target, they may change the environment so as to cause the retaliating weapon system to be inoperable. The various effects of nuclear weapons include blast, thermal radiation, ground shock, debris, dust, and ionizing radiation—any of which may affect people, equipment, propagation of electromagnetic signals, etc. One might say that the problem of operating in a postattack environment after training in the peacetime environment is similar to training at the equator and then moving a major but incomplete part (that is, a damaged system) to the arctic and expecting this incomplete

system to work efficiently the first time it is tried. This is particularly implausible if, as is often true, the intact system is barely operable at the equator (that is, in peacetime).

In addition to attacking the system, the enemy may attempt to attack our resolve. Imagine, for example, that we had a pure Polaris system invulnerable to an all-out simultaneous enemy attack (invulnerable by assumption and not by analysis) and the enemy started to destroy our submarines one at a time at sea. Suppose an American President were told that if we started an all-out war in retaliation, the Soviets could and would destroy every American because of limitations in our offense and our active and passive defenses. Now if the President has a chance to think about the problem, he simply cannot initiate this kind of war even with such provocation. Against even stronger strategic postures there will still be opportunities for using postattack coercion. In some cases it will cost the Soviets nothing to use tactics combined with threats which, if they work, will greatly alleviate their military problems; if they do not work, the situation will be almost unchanged anyway. I do not have the space here to discuss the timing, control, communication, and persuasion problems involved in making different kinds of postattack coercion feasible, but they do not look insurmountable.

One of the most important and yet the most neglected elements of the retaliatory calculation is the effect of the Russian civil-defense measures. The Russians are seldom credited with even modest preparedness in civil defense. Analysts sometimes go so far as to assume that peacetime civilian activities will

continue on a business-as-usual basis, hours after Russian missiles or planes have been dispatched. The analysts may then procede to worry about conventional day-night variations in population. This is not only ridiculous, it is also symptomatic of the lack of realism and the prevalent tendency toward underestimating the enemy.

A much more reasonable alternative that would apply in many situations—that the Russians might at some point evacuate their city population to places affording existing or improvisable fallout protection—is almost never realistically examined. If the Russians should take steps to evacuate their cities, the vulnerability of their population would be dramatically reduced. ✓

The Soviets also know that they can take an enormous amount of economic damage and be set back only a few years in their development. Not only did they do something like this after World War II, but what is even more impressive, they fought a war *after* the Germans had destroyed most of their existing military power and occupied an area that contained about 40 per cent of the prewar Soviet population—the most industrialized 40 per cent. According to Soviet estimates, by the time the war ended they had lost about one-third of their wealth—almost the proportion we would lose if we lost all of the A country. The Soviets rebuilt the destroyed wealth in about six years. Moreover, since 1931 they have had a vigorous program to disperse their industry, a program that seems to have been stepped up since World War II. It is quite likely that their B country is at least as capable of restoring ✓

society as ours. Much more important, they probably *know* the capabilities of their B country.

The difficulties of Type 1 Deterrence arise mainly from the fact that the deterring nation must strike second. These difficulties are compounded by the rapidity with which the technology of war changes and the special difficulty the defender has in reacting quickly and adequately to changes in the offense. The so-called missile gap illustrates the problem. The Russians announced in August, 1957, that they had tested an ICBM. Evidence of their technical ability to do this was furnished by Sputnik I, sent aloft in October of that year. Early in 1959 Khrushchev boasted that the Soviet Union had intercontinental rockets in serial production. We have little reason to believe that they won't have appreciable numbers of operational ICBM's about three years after their successful test—which would be in August, 1960.

Suppose that in 1957 and 1958 we had refused to react to this "hypothetical" threat, so that when the autumn of 1960 appeared we had not completed the needed modifications to our defenses to accommodate this development. What kind of risk would we have run?

I will assume (on the basis of newspaper reports and Congressional testimony) that we had approximately 25 *unalert* SAC *home* bases in 1957. In accordance with the proposed hypothesis of doing nothing, I will (incorrectly) assume that we still have 25 bases in 1960. The number of missiles that the Russians would need in order, hypothetically, to destroy these 25 SAC bases depends on their technology. Assume that their

missile has a probability of one in two of successfully completing its countdown and destroying the SAC base at which it is launched. What would we have risked? Simple calculation indicates that our risk would have been substantial. For example, if the Russians had 125 missiles, then even if their firing time were spread out over an hour or so, it would still be possible for Mr. Khrushchev's aides to push 125 buttons and expect that there would be a better than even chance that they would destroy all of the aircraft on the ground at SAC home bases, about one chance in three that only one such base would survive, and a very small probability that two or more bases would survive. The Soviets could well believe that their air defense would easily handle any attacks launched by aircraft from one or two bases. If they are prepared to accept the risk involved in facing an attack from, say, four or five bases, then they need only about 75 missiles, each with a single-shot probability of one-half; if they had 150 missiles, the single-shot probability could be as low as one-third and still be satisfactory to a Soviet planner willing to accept retaliation from four or five surviving bases.

This kind of missile attack is much more calculable than almost any other kind of attack. It is so calculable that many people believe that the results of such an attack can be predicted just by applying well-known principles of engineering and physics. It looks so calculable that even a cautious Soviet planner might believe that he could rely on the correctness of his estimates; thus he might find it the path of caution to attack while the opportunity was still available.

{Actually, even with tested missiles, results of attacks are not really mathematically predictable.} The probability of extreme variations in performance, the upper and lower limits, cannot be calculated accurately. But laymen or narrow professionals persist in regarding the matter as a simple problem in engineering and physics. Therefore, unless sophisticated objections on the possibilities of intelligence leaks, firing discipline, reliability of the basic data, field degradation, etc., are raised, even an inarticulate Russian general could probably force the following conclusions on a group of hostile, skeptical, and busy ✓ civilians, whether they wanted to believe them or not: that in this hypothetical case (where the Russians had 125 missiles, each with a single-shot probability of one-half), if they were to push these 125 buttons and also launch a supplementary coordinated attack with IRBM's and tactical bombers on U.S. and allied overseas bases, there would be a reasonable chance that the Soviet Union would get away scot free; that there would be a good chance that they would suffer very little damage; and that there would be no chance at all that they would suffer as much damage as they suffered in World War II.

Let us consider some of the caveats that this Russian general would have to concede if somebody raised them, and try to judge how serious Khrushchev or the Presidium would find them.

✓ The first is that there be no intelligence leak. Given the small number of missiles involved and the tight security in the Russian empire, this might look like a reasonably safe assump-

tion. But whether the Russians would be willing to rely on our lack of intelligence is very hard to say. The Russians might think it possible for us to have a very senior spy or, even more worrisome, for them to have a defector—possibly in the Presidium itself.

The second caveat concerns firing discipline, that is, that nobody fires either prematurely or too late. If we work on our original assumption that the U.S. posture remains unchanged since 1957, when alerts were measured in hours or so, this is not a rigid requirement. However, if we give ourselves credit for a 15-minute alert, this would mean that the Russian missile is so reliable that when they press the buttons the majority of the missiles are actually ready to be fired. If the Russian missiles have a "hold" capability—that is, if they can be ready some minutes or hours early and then maintain this ready position, this may not be a difficult requirement, although it could decrease the effective reliability. (We are defining a missile's *reliability* here as including the probability that it takes off within a few minutes of the assigned firing time. Given that the Soviet missiles have a "hold" capability, this may not be a much smaller number than if we define reliability as the probability that the missile takes off within a few hours of the assigned firing time.) A small reduction in reliability would simply mean that the Russians would need a few more ICBM's. A large reduction would most likely put the Soviets out of business.

There is an interesting interaction between firing discipline and measures designed to reduce the possibility of intelligence

leaks. If the Soviets trained with very realistic exercises so that even the people involved in the exercises could not distinguish until the last minute the exercise from the real thing, then such exercises could be used to disguise preparations for attack. But there would be a tendency for somebody to fire prematurely, perhaps causing an accidental war. If, on the contrary, the Soviets try to prevent this breach of firing discipline by the use of severe threats and indoctrination so that nobody will fire prematurely, then they run the opposite risk that people will refuse to believe the order when it comes, unless alerted ahead of time.

The third caveat is that they must have accurate intelligence about the U.S. military posture. Given U.S. security practices currently in vogue about the position and use of our SAC bases and the ease with which information could be obtained about last minute changes, this also could look feasible. Probably the only requirement is to try to get the information.

Much more important, they need accurate data about themselves—the yield, accuracy, and reliability of their ICBM's, for example. While it is surprisingly hard to get reliable estimates of these quantities, only very sophisticated people will know this. If the Soviets have some extra margin of performance for insurance—that is, if they have a much better technological capability than they need—then they do not require extremely accurate estimates of this capability. On the other hand, if their equipment is just marginally satisfactory, then even though they have an adequate capability they are unlikely to know this.

Last and most important is the question of field degradation.[✓] Let us go back to our Russian general's persuasion problem. It is perfectly possible, for example, for this general to take the members of the Presidium out to the range and show them, say, 5 or 10 ICBM's lined up, and ask them to select one and make a cross on a map. The range personnel could proceed to fire that ICBM and hit near enough to the cross to make the general's point. Or even more convincingly, they might fire all 5 or 10 ICBM's at once.

This would be an impressive demonstration, but a question arises. What happens when the missiles are operated in the field by regular military personnel? While the Russians have a tradition of at least initial incompetency (for example, in the Crimean, Japanese, and Finnish wars, as well as in World Wars I and II), they have, since World War II, emphasized reliability of equipment, sometimes at the cost of other performance. One would assume that if they could obtain accuracy and yield at all, they could obtain it reliably. Nevertheless the worry might remain, How far off from range performance will we be?

It should also be noted that so long as our strategic bases are soft, missile attacks present the Russians with possibilities for the use of a postattack blackmail strategy almost as extreme as the one mentioned previously. If the Russians concentrate their attack solely against strategic bases and airburst their weapons (which is the most efficient way to use a weapon against a soft target), there will be no local fallout effects. Then unless one of the weapons goes astray and hits a major

city, deaths would be limited to a few million Americans as the result of blast and thermal effects. The Soviets could then point out (unless we had appreciable levels of air offense, air defense, and civil defense surviving) that they could totally *destroy* our country (while we could only *hurt* them), and did we really want to pick this moment to initiate the use of nuclear weapons against open cities?

While it would take a moderately reckless Soviet decision-maker to press the 125 ICBM buttons even if the assumptions were as favorable as originally hypothesized, it would be even more reckless for the United States to rely on extreme Soviet caution and responsibility as a defense. In any case, our Type I Deterrence can be strained, and in some moderately plausible situations even a cautious Soviet government might prefer pressing buttons if the odds were so much in its favor. The mere recognition by U.S. and European decisionmakers of the possibility of such an attack could dominate or distort all international relations.

The actual situation differs from this hypothetical one. As our newspapers report, we have taken many measures to alleviate this problem. It would not be appropriate to discuss here how adequate these measures are and the risks we may or may not be running. The measures we have adopted may or may not give us an adequate factor of safety. In any case it is necessary to react rapidly to changes in the enemy's posture.

The need for quick reaction to even "hypothetical" changes in the enemy's posture is likely to be true for the indefinite future, in spite of the popularity of the theory that once we

get over our current difficulties we will have a so-called minimum nuclear deterrent force that will solve the Type I Deterrence problem. Some even maintain that it will solve all strategic problems.

A last point will be made about Type 1 Deterrence. When people evaluate the quality of our Type 1 Deterrence they usually ask if it is sufficiently strong to prevent the Soviets from attacking us in cold blood. This is probably misleading. As I tried to point out when discussing the possible consequences of our intervening in Hungary, Type 1 Deterrence can be strained. Thus it is probably best to evaluate the quality of one's Type 1 Deterrence by asking how much strain it could accept and still be depended on. The next topic will indicate that plausible circumstances may arise in which we may wish to indulge in acts that would strain our Type 1 Deterrence.

Type 2 Deterrence (Deterrence of Extreme Provocations)

A quite different calculation is relevant to U.S. Type 2 Deterrence, although it is still a Soviet calculation (but this time a Soviet calculation of an American calculation). The Soviet planner asks himself, If I make this very provocative move, will the Americans strike us? Whether the Soviets then proceed with the contemplated provocation will be influenced by their estimate of the American calculation as to what happens if the tables are reversed. That is, what happens if the Americans strike and damage the Russian strategic air force, and the Russians strike back uncoordinated in the teeth of an alerted

U.S. air defense and possibly against an evacuated U.S. population? If this possibility is to be credible to the Soviets, it must be because they recognize that their own Type 1 Deterrence can fail. If Khrushchev is a convinced adherent of the balance-of-terror theory and does not believe that his Type 1 Deterrence can fail, then he may just go ahead with the provocative action.

It is important to realize that the operation of Type 2 Deterrence will involve the possibility that the United States will obtain the first strategic strike or some temporizing move, such as evacuation. Many people talk about the importance of having adequate civil and air defense to back our foreign policy. However, calculations made in evaluating the performance of a proposed civil- and air-defense program invariably assume a Russian surprise attack and—to make the problem even harder—a surprise attack directed mostly against civilians. This is unnecessarily pessimistic, for the calculation in which one looks at a U.S. first strike in retaliation for a Russian provocation is probably more relevant in trying to evaluate the role that the offense and defense play in affecting some important aspects of foreign policy.

Under this assumption, if we have even a moderate non-military defense program, its performance is likely to look impressive to the Russians and probably to most Europeans. For example, the crucial problem of obtaining adequate warning will have been greatly lessened, at least in the eyes of the Soviets. They are also likely to think that we have more freedom than we will have. The Soviets may believe that we are

not worried by the possibility that they will get strategic or premature tactical warning. This could be true in spite of the fact that in actual practice such an attack would probably involve a considerable risk that the Soviets would get some warning. Any planning would have to be tempered by the sobering realization that a disclosure or mistake could bring a pre-emptive Russian attack.

The possibility of augmenting our active and passive defense is very important. That is, rather than striking the Russians if they do something very provocative, we might prefer to evacuate our city population to fallout protection, "beef up" our air defense and air offense, and then tell the Russians that we had put ourselves into a much stronger position to initiate hostilities. After we had put ourselves in a position in which the Russian retaliatory strike would inflict much less than a total catastrophe, the Russians would have just three broad classes of alternatives:

1. To initiate some kind of strike.
2. To prolong the crisis, even though it would then be very credible that we would strike if they continued to provoke us.
3. To back down or compromise the crisis satisfactorily.

Hopefully the Soviets would end up preferring the third alternative, because our Type 1 Deterrence would make the first choice sufficiently unattractive and our Type 2 Deterrence would do the same for the second.

Type 3 Deterrence (Deterrence of Moderate Provocation)

The most obvious threat that we could muster under Type 3 Deterrence would be the capability to fight a limited war of some sort. Because this subject is complicated and space is limited, I will not discuss this particular Type 3 Deterrence capability—although it is important and necessary. Instead, I shall consider some of the nonmilitary gambits open to us.

Insofar as day-to-day activities are concerned, the things that seemingly regulate the other man's behavior are nonmilitary. For example, among other things, a potential provocation may be deterred by any of the following effects or reactions:

1. Internal reactions or costs
2. Loss of friends or antagonizing of neutrals
3. Creation or strengthening of hostile coalitions
4. Lowering of the reaction threshold of potential opponents
5. Diplomatic or economic retaliation
6. Moral or ethical inhibitions
7. An increase in the military capability of the potential opponent

Space permits discussion of only the last subject, which is both very important and badly neglected. It has become fashionable among the more sober military experts to regard mobilization capabilities as examples of wishful thinking. And indeed, in the few *hours* or few *days* of a modern war, large-scale production of military goods will not be possible.

PROVOCATION A SPUR TO MILITARY CAPABILITY

What deters the Russians from a series of Koreas and Indo-Chinas? It is probably less the fear of a direct U.S. attack with its current forces than the probability that the United States and her allies would greatly increase both their military strength and their resolve in response to such crises. The deterrent effect of this possibility can be increased by making explicit preparations so that we can increase our strength very rapidly whenever the other side provokes us. For example, in June, 1950, the United States was engaged in a great debate on whether the defense budget should be 14, 15, or 16 billion dollars. Along came Korea. Congress quickly authorized 60 billion dollars, an increase by a factor of four!

No matter what successes the Communist cause had in Korea, that authorization represents an enormous military defeat for the Soviets. However, it was almost three years before that authorization was fully translated into increased expenditures and corresponding military power. It is very valuable to be able to increase our defense expenditures, but this ability becomes many times more valuable if authorizations can be translated into military strength in a year or so. If the Russians know that deterioration in international relations will push us into a crash program, they may be much less willing to let international relations deteriorate. The problem is, Would we have time to put in a useful program? After all, the basic military posture (including installations) must be of the proper sort if it is to be possible to expand it within a year or so to

the point where it is prepared to fight a war in addition to being able to deter one. Our current posture (1960) is probably far from optimal for doing this.

If preparations like these were at least moderately expensive and very explicit, the Russians might find it credible that the United States would initiate and carry through such a program if they were provocative even, say, on the scale of Korea or less. The Russians would then be presented with the following three alternatives:

1. They could strike the United States before the buildup got very far. This might look very unattractive, especially since the buildup would almost certainly be accompanied by an increased alert and other measures to reduce the vulnerability of SAC.
2. They could try to match the U.S. program. This would be very expensive.
3. They could accept a position of inferiority. Such an acceptance would be serious, since the United States would now have a "fight the war" capability as well as a "deter the war" capability.

In each case the costs and risks of their provocation would have been increased, and it is likely that the Soviets would take these extra costs and risks into account before attempting any provocation. If they were not deterred, we could launch the crash program. Then we would be in a position to correct the results of their past provocation or at least to deter them in the future from exploiting these results.

It might be particularly valuable to have credible and explicit plans to institute crash programs for civil defense⁴ and limited-war capabilities. It seems to be particularly feasible to maintain inexpensive and effective mobilization bases in these two fields, and the institution of a crash program would make it very credible to the Russians, our allies, and neutrals that we would go to war at an appropriate level if we were provoked again.

{It is important to understand that we have this asset: the ability to spend large sums of money rapidly} Let us, for example, assume a new Berlin crisis in two or three years. Assume also that the United States has done nothing to improve its Type 2 Deterrence capability, and very little to improve its limited-war capability, but it does have a first-rate Type 1 Deterrence (one that could punish the Soviets if they attacked us, but one that could not protect the United States). Under these circumstances it would be most improbable that we would initiate either a thermonuclear or limited war if the Russians gradually put the squeeze on Berlin. Nevertheless, State Department negotiators would try in all likelihood to get the Soviets to back down by threatening that we would do something very violent—that we would use our military forces. But our negotiators would be afraid to spell out our threat, for nothing that they could present would be both credible and effective.

⁴ For a discussion of the possibilities, see Herman Kahn, *Some Specific Suggestions for Achieving Early Non-Military Defense Capabilities and Initiating Long-range Programs*, The RAND Corporation, Research Memorandum RM-2206-RC, January 2, 1958, rev. July 1, 1958.

Even today the Russians have told us that any talk of our maintaining our position in Berlin by force is "bluff." If we send soldiers, they say they will kill them; if we send tanks, they will burn them; if we send bombers, they will destroy our cities. The Soviets are saying that at any level of violence we care to use they can either meet that level on the spot or promise such a severe punishment that we will be deterred. The Russians also point out that Berlin is a chess game, not a poker game, and that everybody can see what our capabilities are.

If the Soviets are right—that our only alternatives are violence or defeat—where defeat would be an acceptance of some new and unsatisfactory status of Berlin, then the Soviets could probably succeed in talking us into adopting a face-saving method of losing Berlin rather than one that would make it clear to all that we had suffered a serious defeat.

In actual fact we do have some very strong cards to play, but if we do not know what these cards are, we may be tricked out of playing them. If we refused to accept a face-saving defeat and the Russians persisted in rubbing our noses in the dirt, then it would be clear to all in NATO that unless we did something spectacular to recover the situation, these nations could no longer rely on us for any kind of protection. Under such circumstances the United States might order an attack. It is much more likely that it would authorize enormous defense budgets, probably at least at the 100-billion-dollars-a-year level. These funds would be designed not only to improve our current posture but also to buy large limited-war forces and such things as civil defense and the corresponding military forces that

would give us a credible capability for initiating a war at some appropriate level of violence if a humiliating crisis should be repeated. There would also be enormous pressure under these circumstances on the NATO nations to combine into an even tighter alliance and to mobilize their resources for their defense. This would mean that as in Korea, even if we lost Berlin in the military sense, the Russians would have lost this particular campaign. While Berlin is important ethically and politically, its loss would not compare to the greatly increased power and resolve on the side of the West. ✓

This is one of the major threats we can bring to bear on the Russians. If we are not aware that we have this threat, if we believe that doubling the budget would really mean immediate bankruptcy or other financial catastrophe, then the Russians can present us with alternatives that may in the end result in their winning the diplomatic, political, and foreign-policy victory. It is important that we understand our own strengths as well as our possible weaknesses.

CONCLUSIONS

Even if we have acquired the highest-quality Type 1 Deterrence capability, we must still be able to fight and survive wars as long as it is possible to have such a capability. This is true not only because it is prudent to take out insurance against a war's occurring unintentionally, but also because we must be able both to stand up to the threat of fighting a war and to credibly threaten to initiate one. We must make it risky for ✓ ,

the enemy to force us into situations in which we must choose between fighting and appeasing. We must have an "alternative to peace," so long as there is no world government and it is technologically and economically possible to have such an alternative. It is most likely that this "alternative to peace" must include a general-war capability as well as a limited-war capability.

Under current programs the United States may in a few years find itself unwilling to accept a Soviet retaliatory blow, no matter what the provocation. To get into such a situation would be equivalent to disowning our alliance obligations by signing a non-aggression treaty with the Soviets—a non-aggression treaty with almost 200 million American hostages to guarantee performance. Before drifting into such an "alliance," we should ask ourselves, What does it mean to live with this non-aggression treaty? Can we prevent it from being "signed"? Can we delay its "ratification"? Those who would rely on limited means to control possible Soviet provocations must ask themselves the question, What keeps the enemy's counteraction to acceptable limits if there are no credible Type 2 Deterrence capabilities? Those who think of very limited capabilities or mutual-homicide threats either separately or in combination as being sufficient to meet our Type 2 Deterrence problems are ignoring the dynamics of bargaining and conflict situations. When two men or two nations are arguing over something that both feel to be of moderate importance, it is common for things to get out of control, for prestige to become committed, and for threats and counterthreats and actions and

counteractions to increase in almost limitless intensity—that is, unless there are internal or external sanctions to set and enforce limits.

These remarks will distress all who, very properly, view the thought of fighting a war with so much horror that they feel uneasy at having even a high-quality deterrent force, much less a credible capability for initiating, fighting, and terminating all kinds of wars. While one can sympathize with this attitude, it is, I believe, close to being irresponsible.

The threat of force has long been an important regulatory factor in international affairs; one cannot remove or greatly weaken this threat without expecting all kinds of unforeseen changes—not all of them necessarily for the better. True, many of the measures that preserve our ability to fight and survive wars may turn out to be temporary expedients that will not solve our long-run security problems, but this does not mean they are not important. You cannot reach 1970 or 1975 if you do not successfully pass through 1960 and 1965. If we neglect our short-term problems, we are bound to run serious risks of a disastrous deterioration in the international situation or in our own posture. This, in turn, may make it impossible to arrive at a reasonable, stable state.

In fact, insofar as the balance-of-terror theory is correct, if any nation actually is militarily provocative, then, no matter what our previous threats have been, we must meet that behavior by using limited means or simply allow that nation to get away with whatever it is trying to do. The aggressor will realize this too and gain confidence from the realization. For this

reason any attempt to use threats of mutual homicide to control an aggressor's behavior (short of trying to deter him from an attack on one's own country) is ill advised. Even if one means that threat seriously, it will still not be credible to the enemy or ally—particularly if the challenge is in any way ambiguous.

Since it now seems most unlikely that the Soviet menace will go away of itself and since we have eschewed preventive war as a possibility, we must seek the solution to our problems along the path of some degree of coexistence or collaboration. To do this effectively we must appear extremely competent to the Soviet leaders. They must feel that we are putting adequate attention and resources into meeting our military, political, and economic problems. This is not a question of attempting to bargain from strength, but one of looking so invulnerable to blackmail and aggressive tactics that Soviet leaders will feel it is worth while to make agreements and foolish not to. We must look much more dangerous as an opponent than as a collaborator, even an uneasy collaborator.

I have the impression that up to about 1956–57 the average senior Russian had an enormous respect for U.S. planners and decisionmakers—which they now (in 1960) have begun to lose. Many of their comments on remarks made by some of our military and political leaders are contemptuous. In the precarious present and the even more precarious future it would be well to go to some trouble not only *to be* competent as an antagonist to the Russians, but *to look* competent.

Ideally, winning the cold war would mean the establishment of peaceful, democratic, and prosperous nations everywhere

and the complete elimination of all international conflicts of greater significance than those that, for example, occasionally plague U.S.-British relations. No sober student of the international scene visualizes anything of this sort occurring! Even a more limited objective—the attainment of a physical security that is independent of Soviet rationality and responsibility—is probably unattainable. There is no acceptable way to protect ourselves from a psychotic Soviet decisionmaker who launches a surprise attack without making rational calculations.

But the situation is worse than this. It is most unlikely that the world can live with an uncontrolled arms race lasting for several decades. It is not that we could not match Soviet expenditures; it is simply that as technology advances and as weapons become more powerful and more diverse, it is most likely that there will have to be at least implicit agreements on their use, distribution, and character if we are not to run unacceptably high risks of unauthorized or irresponsible behavior. No matter how antagonistic the Soviets feel toward us, they have common interests with us in this field. This does not mean that they will not try to exploit the common danger to obtain unilateral advantages; it simply means that there is an important area for bargaining here, one that we must fully exploit.

As a prerequisite to exploiting it we must do our homework. We must know what we are trying to achieve, the kinds of concessions that we can afford to give, and the kinds of concessions that we insist on getting from the Soviets. All of this will require, among other things, much-higher-quality preparations for negotiations than have been customary.

{The intellectual quality of discussion could probably be improved if criticism were both more discerning and more savage.} We should learn to distinguish between first-strike and second-strike forces, between Type 1 and Type 2 Deterrence, between the use of credible and silly threats of retaliation, between "bankruptcy" and a reduction in standards of living, between sober and reliable measures and desperate gambles or "calculated risks," between deterrence by assumption and deterrence by objectively capable systems, etc.

Aside from the ideological differences and the problem of security itself, there do not seem to be any other objective quarrels between the United States and Russia that justify the risks and costs to which we subject each other. {The big thing that the Soviet Union and the United States have to fear from each other is fear itself.} (I am making some very optimistic assumptions. One is that the Soviets would really be willing to give up any hope of world domination to be achieved by the use of military force. Another is that they would give up their curious notion that the only satisfactory *status quo* is a situation in which the Soviet World increases every year and the Free World decreases, and that all kinds of subversive and violent activities are part of this peacetime *status quo*. On the other hand, our understandable hope that one day the satellite nations will be liberated does not look to the Soviets like a reasonable acceptance of *status quo*.)

Aside from the caveats given above about Soviet and United States expectations and hopes, and the problem of security itself, {both the Soviet Union and the United States are *status*

quo powers. } In this respect, the situation is quite different from what it was in World War I when all the great powers competed in trying to carve out empires for themselves, both inside and outside Europe. Today a normal increase of two or three years in the gross national product of either Soviet Russia or the United States is of much greater significance both militarily and economically than quite sizable additions or subtractions of territory. This means that we can both afford to be relaxed about changes in our respective "spheres of influence." But even if it were conceded that all we have to fear is fear, this would not imply that the problem is simple, or even that it can be eliminated by any kind of arrangements that are practical for the next decade or so. It is only to say that there do not seem to be any fundamental blocks to making things more manageable and safer than the current arrangement, which is an almost uncontrolled arms race ameliorated by some implicit (and vague) agreements and some unilateral actions. ✓

Even if we arrive at some arms-control agreements that eliminate the most dangerous aspects of the competition, we may still need the threat of force to regulate the minor clashes that occur. { While many people are suggesting various versions of a "rule by law" to prevent minor clashes from becoming major ones, I am not very hopeful that we can succeed totally. } Such efforts are to be encouraged—in fact they are indispensable—but they can alleviate the problem only to the point where inevitable conflicts of interest can be handled, not eliminated. We will still need a balance of terror or other military sanctions to persuade those who would be tempted to use violence to use

other machinery instead. If the balance is to be stable and not subject to being overturned by minor changes in tactics, posture, technological innovation, or cheating on arms-control agreements, then initially it will have to be based on a massive program.

However, we must also take seriously the problem of alleviating the conflict by arms control and international agreement. We do not have unlimited time. Our problems are being increased rapidly by many things, including the mounting rate of technological progress, the "revolution of rising expectations," increasing nationalism, and an increasing diffusion of the newer military technologies. It is possible that there may be some invention, discovery, or crisis that simply cannot be handled even momentarily in our present international society. Progress is so fast, the problems are so unprecedented, and the lead-times for cultural assimilation are so long that it is difficult to believe that muddling through will work. We will need much better mechanisms than we have had for forward thinking, imaginative research into problems of strategy and foreign policy, and anticipating future developments and planning to meet them.

These mechanisms can be made available. The tools actually or potentially available to the analyst, planner, and decision-maker, both organizational and technical, are many times better than anything we have had before. It is just barely possible that with determined efforts by large numbers of responsible people we can achieve enough to make a significant difference. The survival of our civilization may depend on this effort's being made. Let us hope that it can be.

EXHIBIT II

*Report on a Study
of
Non-Military Defense*

July 1, 1958

Report R-322-RC

A R A N D C O R P O R A T I O N S T U D Y

Copyright, 1958
The RAND Corporation
Santa Monica, California
All Rights Reserved

PREFACE

The study of non-military defense described in this report has been supported by The RAND Corporation as part of its program of RAND-sponsored research. In addition to its work for the United States Air Force and other government agencies, the Corporation regularly sponsors, with its own funds, research projects in areas of importance to national security and public welfare. RAND-sponsored research is considered to be fundamentally the responsibility of the individuals involved in the project, and the conclusions of such projects are not necessarily endorsed by the Corporation. Such studies are published in the hope that they may contribute to wider understanding of important national problems.

This study of non-military defense was initiated, directed, and formulated in its central features by Herman Kahn. Particular parts of the study were the responsibility of the following individuals, approximately in the order the subjects are mentioned in this report: Leon Gouré, foreign policy implications; Irwin Mann, improvised fallout shelters and other inexpensive measures; Robert Panero (from the staff of Guy B. Panero Engineers), mines and deep rock shelters; John O'Sullivan, conventional shelters and costs of complete shelter systems; Fred Iklé, strategic evacuation and social problems; Maj. Gen. Frank Ross, USA, ret., tactical evacuation; Leonard Berkovitz, performance of shelter systems under hypothetical attacks; Harold Mitchell, M.D., medical effects of radiation; Jerald Hill, long-term fallout problems; Joseph Carrier, food and agriculture; Paul Clark, economic recuperation after a 50-city attack; Norman Hanunian, heavier attacks and industrial shelters; Col. George Reinhardt, USA, ret., "starter set" and recuperation stockpiles; Harry Rowen, interactions with active offense; Philip Dadant, interactions with active defense; Richard Moorsteen, Soviet non-military defense capabilities. This summary report was drafted by Paul Clark.

A number of people in government agencies have been helpful in furnishing information and orientation. While it would be impossible to list them all, the assistance of the following should be acknowledged: Federal Civil Defense Administration—John Devaney, Gerald Gallagher, Jack Greene, Ralph Spears, Benjamin Taylor; Federal Reserve Board—Roland Robinson; Naval Radiological Defense Laboratory—Walmer Strobe, Paul Tompkins; Office of Defense Mobilization—Joseph Coker, Brig. Gen. Harold Huglin, USAF, Burke Horton, Vincent Rock, Charles Sullivan; Science Advisory Committee—Spurgeon Keeney. Of course, none of the above are responsible for any portion of the study.

This report is unclassified, and no part of it depends on the use of classified information. In particular, the hypothetical attacks considered in evaluating various non-military defense measures should not be construed as statements of enemy offense capability or of U.S. defense capability. They are simply hypotheses about threats that appear conceivable sometime in the future and that provide a measure of the possible role of non-military defense systems. Moreover, this report has been written as a summary statement for general distribution; technical aspects of the study are not presented in full detail.

REPORT ON A STUDY OF NON-MILITARY DEFENSE

I. Introduction: Initial Premises

This study was initiated in the belief that non-military defense measures, if they could be made effective in protecting the civilian population, economy, and institutions of the United States, might make two significant contributions to the national defense. First, they might alleviate the catastrophe of a nuclear attack and, if military victory were attained, provide a reasonable chance that the United States as a nation could survive. Second, they might increase U.S. freedom of action in conducting peacetime foreign policy and in implementing a broad deterrence strategy.

Alleviating the consequences of a nuclear war is an important objective in its own right. Even if a plausible attack a few years from now killed as many as 90 million Americans, it would still leave 90 million alive. However terrible the prospect, it would be worth investigating whether there are measures that might increase the number of survivors from 90 million to 120 or 150 million, and that might increase the likelihood that the survivors could, in time, restore the national economy and democratic institutions. The prospect is terrible enough to make the avoidance of general war—by deterrence or by any measures that might safely permit reduction in tension—the primary objective. However, general war may nonetheless occur, and it would be irresponsible to throw up our hands about the postwar world. (Note that this objective is quite distinct from that of defending a civilian basis for war production; a general nuclear war would almost surely be fought with military equipment on hand at the outset.)

Moreover, in the years ahead, willingness to make foreign-policy decisions carrying a risk of war may be important to meet major

Soviet challenges that threaten U.S. security. The more effective the defense of civilian society, the easier it will be for U.S. leaders to make such decisions. Deterrence of extremely provocative enemy behavior other than a direct attack on the United States might thus be maintained as a credible national policy. If non-military defense measures caused Soviet leaders to believe that aggressive moves would meet firm resistance, they would be less likely to take such provocative actions. Deterrence of aggressions against countries other than the United States might also be accomplished by strengthening U.S. capability to meet limited aggression in a limited way, and we believe it is important to do so. However, it is possible that some aggression may be difficult to deter or to meet except by a credible threat of all-out U.S. resistance. It is true that the likelihood of direct Soviet attack on the United States would be measurably increased, particularly in the case of an implicit or explicit U.S. threat. Furthermore, the level of destruction, if deterrence failed, would still be a subject for grave consideration by U.S. leaders. But these difficulties seem inherent in a foreign policy prepared to meet the range of possible Soviet threats.

It should be recognized that all-out nuclear war could start in many ways, other than by a premeditated Soviet attack. A local war might become so invested with national interests and prestige that Soviet leaders, if faced with decisive defeat, would choose to counter with an all-out attack. This danger has probably increased because Khrushchev seems less cautious than Stalin, less secure in his grasp of power, yet freer to exercise his diplomacy on a global scale. War might occur because of miscalculation of U.S. intentions; in a period of acute tension, verbal and even military indicators would be difficult to interpret, and the premium on a first strike might well tempt the USSR to launch a pre-emptive attack. War might even begin by accident, triggered by a chance release of weapons, and carried on because both sides were poised in a high state of alert for quick and nearly automatic retaliation. Finally, as just mentioned, we cannot rule out the possibility that the United States, faced with a major Soviet challenge, might sometime be forced to resist militarily, even at the risk of devastation.

It may also be noted that non-military defense measures could be more effective if war began in one of these other ways. A key factor in determining their effectiveness would be the ability of U.S. military forces to stop Soviet air attacks fairly quickly. Control of the military situation could be more quickly seized if the Soviet attack failed to achieve surprise, or if it were poorly executed, or if the United States were compelled to launch an attack. Non-military defense measures themselves would also work better with more warning, as will be more fully discussed later in this report. Such wars appear sufficiently probable to warrant careful investigation of the potentialities of non-military defense in these cases, as well as in the event of a premeditated Soviet attack.

The dependence of the defense of civilian society on the effectiveness of U.S. strategic-offense and active-defense capabilities should be stressed. Non-military defense measures must be evaluated not only with respect to feasibility, but also in their interaction with other aspects of national defense. They should not carry such high economic costs that U.S. strategic offense, air defense, or local-war forces would be dangerously weakened. Such an over-all evaluation of the place of non-military measures in the entire field of national defense has not been attempted in this study.

On the basis of such initial considerations, the premise on which this study was begun was that we should at least examine the feasibility of non-military defense measures in a nuclear war. Of course, after investigation we may conclude that defense of civilian society isn't practicable. The destructive power of a single nuclear weapon, the delivery capabilities of high-speed bombers and ballistic missiles, the seeming inability of any current or proposed air defense system to prevent the delivery by an intelligent attacker of at least a considerable number of nuclear weapons, the widespread vulnerability of cities, the slow reaction times of large civilian populations—all of these factors may well mean that effective non-military defense can't be obtained at an acceptable cost. But the issues seem so important that they should be seriously investigated.

This study is certainly not a definitive treatise on non-military defense. Rather, it was designed to provide an initial broad over-

view. It has seemed preferable to consider a large number of aspects of non-military defense, and to examine their interrelations, rather than to go more deeply into a few questions. The work has been done on a part-time basis by a number of people from different disciplines, and all the different pieces do not fit together perfectly. The pieces also differ in the research on which they are based: some involve quantitative calculations of the performance of possible non-military defense systems; others involve technical innovations and surveys of technical possibilities; still others are necessarily based primarily on reflection about nuclear war and national-defense strategy. Questions of the psychological reaction of the American people to a nuclear war and its aftermath remain largely unanswered. However, in the view of participants in the project, the study as a whole does provide a comprehensive orientation to non-military defense problems that is fundamentally sound.

II. Population Shelters

The first big question that must be raised about non-military defense is whether people can in fact be protected from modern nuclear weapons. Protection involves not only provision of shelters capable of withstanding blast and fallout effects, but also arrangements for getting people into the shelters in response to different kinds of warnings. It should be stated at the beginning that it is impossible to provide reliable protection for all the population, and that the fraction of the population effectively protected depends greatly on the essentially uncertain nature of the enemy attack. There appear to be a number of possibilities for protective systems, however, and under plausible assumptions about the enemy attack and the civilian response, significant—and in some cases dramatic—reductions in civilian casualties appear to be obtainable.

TYPES OF SHELTERS

Improvised fallout shelters, even if only capable of reducing radiation to $\frac{1}{20}$ or $\frac{1}{30}$ of the radiation outside, could have a significant effect in reducing casualties among people outside the areas of blast damage. There seem to be many possibilities of identifying and preparing such shelters in existing buildings in small cities and towns. For example, a location in the center of the basement of a 40,000-square-foot building (a typical large office, store, or school building) may provide an attenuation to about $\frac{1}{80}$. Moreover, a foot of earth gives a reduction to about $\frac{1}{30}$, and sandbags distributed in advance could be quickly filled and placed to provide this type of shielding. Even buildings whose structural characteristics provide smaller attenuation factors could be quite useful, with arrangements for washing down or sweeping the roofs and surrounding areas (exposure to carry out the decontamination being rationed among the shelter inhabitants).

An essential element in the use of such improvised fallout shelters would be radiation meters. The meters would indicate how long outside activity could continue (until heavy fallout arrived), would guide immediate decontamination work, would show when it was safe to emerge from the shelters, and would continue to be needed in postwar reorganization. Two main types of meters are available: a dosimeter, which measures cumulative radiation exposure over an interval of time and which might cost \$1 to \$5, depending on the model, and a dose-rate meter, which would be more convenient in some operations but might cost \$15 to \$20. Predistributing one dosimeter for every five persons in the country and one dose-rate meter for every fifty might thus cost \$150 million to \$250 million spread over several years..

An often-neglected possibility is the use of suitably located mines for both fallout and blast protection. Mines for low-priced ores, such as limestone, sandstone, rock salt, and gypsum, typically consist of a regular pattern of rooms with level floors and 10- to 12-foot ceilings, completely self-supporting and dry. An engineering calculation prepared as part of the study indicated that a limestone mine at West Winfield, Pennsylvania, could be prepared for emergency 7-day occupancy at a cost of \$25 to \$35 per person (or more strictly, per shelter space). Such a mine would be provided with water tanks, latrines, utilities, and some air-conditioning equipment, and would be stocked with a bedroll for each person, cold processed rations, and some medical supplies.

A wide range of shelter designs providing blast protection of 50 to 200 psi (pounds per square inch above normal atmospheric pressure) seems to be possible using conventional construction techniques—shallow underground location, reinforced concrete or corrugated-steel material, and heavy air-tight blast doors.

There are still technical engineering uncertainties about many aspects of these designs, but corrugated-steel shelters buried fairly deep look promising and are much cheaper than shelters of reinforced concrete. There is also uncertainty about the number of square feet to be provided per person, ranging from the 5 square feet in European shelters for short-time occupancy, to the 20 square feet in

the Manhattan design discussed below. However, a reasonable guess is that bunkroom-type accommodations for 90-day occupancy could be provided for something on the order of \$300 to \$400 per person. Such "medium" shelters might be appropriate for suburban fringes of large cities and for small cities that are presumed to be lower-priority enemy targets.

"Light" shelters, primarily for fallout protection, would of course be cheaper—perhaps \$150 per person. Constructed shelters should be designed to provide much greater attenuation of surrounding radiation than improvised shelters; fortunately, 3 feet of earth provides attenuation to about $\frac{1}{1000}$ of the radiation outside. Moreover, most fallout shelters ought to be planned and placed deep enough so that they could later be made into blast shelters in the 20- to 100-psi range, primarily by adding better blast doors. With appropriate evacuation procedures, such "light" shelters in towns and rural areas might be used by more people than any other type.

Finally, deep rock shelters created by mining rather than by construction techniques appear to be the most promising approach (where sound rock is available) for blast protection in the range of 500 psi to several thousand psi. Such "heavy" shelters would be indicated if a serious attempt were made to provide protection, other than by evacuation, for residents of large cities. Shelters with lower levels of protection might become partially obsolete soon after they were built. An engineering calculation of a system of deep rock shelters under Manhattan Island for 4 million people indicated a cost of \$500 to \$700 per person, depending largely on habitability standards. The shelters were to be excavated 800 feet below the surface, using conventional excavation and mining techniques. They were to be almost completely isolated from the surface, with air purified and enriched with oxygen as in a submarine, with water tapped from the Delaware Aqueduct system of tunnels and treated (or, in emergency, drawn from internal storage), and with power provided from diesel generators vented to the surface but isolated from the shelters proper. Occupants would be assigned berths in a large dormitory, would receive two cold meals and one hot meal per day, and would draw fresh clothing, take showers, and exercise on a

rotational basis. Some 91 entrances were planned and distributed according to population, so that every point in Manhattan was within 5 to 10 minutes' walking distance of an entrance; elevator design characteristics currently employed in New York should permit about a fourth of the people in the buildings themselves to reach the street every 5 minutes. The entrances were sloped tunnels and had 500-psi blast doors both at the top and at the bottom; provision could be made to collapse any single tunnel if the upper door gave way.

The point of this quick survey of types of shelters is that the possibilities seem to be both more varied and more promising than has been generally realized. However, while several kinds of shelters could be built today, one of the conclusions of this study is that a great deal of research and development work should be done before any attempt is made to decide on final shelter designs. Further preparation could both improve performance and lower cost.

WARNING AND MOVEMENT

If people are to get into shelters, an appropriate movement plan and some warning are needed. It is convenient to distinguish three degrees of warning—measured in days, in hours, or in minutes. Correspondingly, three general kinds of movement are possible: strategic evacuation, tactical evacuation, and ducking into the nearest shelter entry.

Warning measured in terms of days is possible if a nuclear attack occurs as an extension of a local war, or after a period of severe international tension, or as a last-resort decision by the United States. In each case the warning does not consist in discovery of secret enemy intentions to attack, but in recognition that an attack has become more likely and that the vulnerability of the civilian population should be reduced. Strategic evacuation—that is, movement of a significant fraction of the city population into emergency quarters in small towns and rural areas—would then be possible. Indeed, some evacuation would doubtless occur spontaneously. The prime historical example is the evacuation of children and mothers from London and other English cities in 1939, which reduced London's

population by 25 to 35 per cent by the time war was declared.

Warning measured in hours is crucially dependent on the tactics chosen by the enemy. However, one sensible enemy plan would be to concentrate his first wave, largely ICBM's plus some submarines and long-range bombers, upon the retaliatory capacity of the Strategic Air Command, and to defer a general city attack for a following wave, largely of medium bombers refueled en route. Cities spared on the first attack wave might possibly have several hours of warning. Initial investigation suggests that in most cities, particularly the medium and small cities most likely to survive the first wave, an organized tactical evacuation could be carried out within 3 to 6 hours. The objective would be to move the bulk of the city population out to a shelter belt extending 20 to 50 miles from the center; less warning or slower movement would simply reduce the fraction of the people saved. The key organizational principles for such a movement appear to be one-way routes, maximum loading of vehicles (with emphasis on trucks and buses), prior instruction to each vehicle owner (perhaps on his registration certificate), and some limited test movements. Provision of shelters in the peripheral belt—ranging from "medium" blast shelters to improvised fallout shelters according to location—would be important, however; otherwise many evacuees might flee the city only to succumb to fallout.

Warning measured in terms of minutes is likely to be all that would be available for cities that the enemy chose to attack in his first wave, or possibly with a following salvo of ICBM's. Even in this case it appears to be technically feasible, as suggested in the Manhattan calculation, to design "heavy" shelters into which the bulk of the population could conceivably duck in 30 to 60 minutes—or a smaller fraction of the population if less time were available. A dramatic and unequivocal signal, such as exploding a small atomic weapon at a very high altitude over the city, would help in getting people to move quickly. But given the slow reaction time of the civilian population, it seems inevitable that non-military defense measures in cities with only minutes of warning would be much less effective than elsewhere.

It should also be stressed at this point that the tactics chosen by

an attacker, and hence the amounts of warning available to various cities, are very much a function of the posture of the Strategic Air Command and the effectiveness of U.S. air defenses. Unless SAC is so sheltered and defended that an enemy would have to concentrate nearly all of his first strike on attempting to destroy SAC's capacity to retaliate, warning sufficient for tactical evacuation—or even for ducking into “heavy” shelters—might not be available for many cities. The interaction of non-military defense with active offense and active defense is further discussed in Section VI.

Finally, it may be noted that in nontarget areas there would be 1 to 10 hours of delay between the explosion of bombs on targets and the arrival of airborne fallout. This delay would give time for entering designated fallout shelters, strengthening them with sandbags or window closures, filling water tanks and packing in home stocks of foods, and billeting evacuees from the cities.

PERFORMANCE OF POSSIBLE SHELTER SYSTEMS UNDER HYPOTHETICAL ATTACKS

A rough measure of the possible effectiveness of certain shelter systems is provided by some calculations of population casualties made as part of the non-military defense study. Two possible shelter systems were considered: a system of fallout shelters only (largely improvised in the next few years, supplemented with shelters of light construction by the mid-sixties), and a system of heavy, medium, and light shelters designed to provide both blast and fallout protection for the entire population (and available no earlier than the mid-sixties). The effect of prior strategic evacuation of 70 per cent of the population in the large cities attacked was also examined for each system.

Two hypothetical levels of enemy attack were considered, with variants to take into account the amounts of warning received by large cities. The first level was defined as the *delivery on target* of sufficient weapons to destroy all buildings in the 50 largest urbanized areas (many receiving several weapons) plus all the SAC bases. The list extended to cities the size of New Haven, Connecticut, with a

population of about 250,000. (It should be stressed that this hypothetical attack was not based on an analysis of enemy capability in the light of U.S. defenses, but was adopted as a means of measuring the performance of possible shelter systems. Approximately the same level of attack was also considered in other parts of the over-all study.) Calculated fatal casualties in the various cases hypothesized are summarized in Table 1, below.

Table 1
CALCULATED PERFORMANCE OF ALTERNATIVE SHELTER SYSTEMS
UNDER VARIOUS ATTACKS

(Millions of U.S. fatalities out of 180 million population)^a

50-CITY ATTACK		
Non-Military Defense System	30 to 60 Minutes of Warning	3 to 6 Hours of Warning
No non-military defense measures	90	90
System of fallout shelters plus arrangements for tactical evacuation	70	30
Same, after strategic evacuation	25	5
150-CITY ATTACK		
Non-Military Defense System	30 to 60 Minutes of Warning^b	3 to 6 Hours of Warning^b
No non-military defense measures	160	160
System of fallout shelters plus arrangements for tactical evacuation	85	60
Same, after strategic evacuation	40	25
System of blast and fallout shelters plus arrangements for rapid entry	25	25
Same, after strategic evacuation	5	5

^a For comparability the same population was assumed for both attacks, even though the 150-city attack was presumed to occur further in the future.

^b Includes 10 cities hit by ICBM's with no warning.

With no non-military defense measures, a completely effective 50-city attack might be expected to cause 90 million deaths in the United States, that is, half of a projected population of 180 million. With a system of fallout shelters, but with an enemy tactic of hitting the cities on the first wave or soon thereafter, about 70 million

deaths might result. With the same fallout protection, plus several hours' warning for the cities so that a substantial tactical evacuation could be carried out, the casualty figure might be reduced to 30 million. Finally, if the attack occurred after strategic evacuation, casualties might be held down to 5 million to 25 million people, depending on the amount of warning to the large cities.

The second level of attack was defined as the delivery on target of sufficient weapons to destroy all buildings in about 150 urbanized areas and all the SAC bases, and also to generate widespread lethal fallout. The list extended to cities such as Asheville, North Carolina, with a population of about 60,000. This hypothetical attack was presumed to occur at a later time. Accordingly, it was assumed that 10 of the 20 largest cities would be hit by ICBM's in the first wave, and that following ICBM's would make tactical evacuation in some of the other cities less effective than in the earlier calculation. On the other hand, the later time-period also made a more complete blast-and-fallout shelter system at least conceivable.

With no non-military defense measures, a completely effective 150-city attack could result in 160 million deaths in the United States—that is, almost 90 per cent of the total population could be killed. With a system of fallout shelters, and given several hours' warning to carry out a partly disrupted tactical evacuation in all cities except those hit on the first wave, casualties might be reduced to 60 million. With a complete system of blast-and-fallout shelters, and even with only 30 to 60 minutes of warning, casualties might be held to 25 million. Less warning would, of course, increase the casualties if only a system of fallout shelters were provided, while prior strategic evacuation would result in still fewer casualties with either system.

A further word should be said about these hypothetical attacks. Even if an enemy had the initial capability to completely destroy 50 or 150 large cities, it is not certain that he would do so in actual war. Successful accomplishment of a large retaliatory strike by SAC, and effective operation of U.S. air defenses, might so reduce the enemy's forces that he would not be able to take out so many cities. Or the war might start in one of the less premeditated ways mentioned earlier, so that the enemy's strikes would be small and uncoordinated.

Or he might not attempt such widespread destruction, because the military payoff from destroying cities is low, and because he might hope to use the threat of further destruction to reinforce a surrender demand.

On the other hand, even with the assumed shelter systems, heavier casualties and more extensive destruction are also conceivable. Unless U.S. active offenses and active defenses can gain control of the military situation after only a few exchanges, an enemy could, by repeated strikes, reach almost any level of death and destruction he wished. Even on a first strike, if an enemy—perhaps motivated by memories of World War II—allocated a larger part of his force to the destruction of cities rather than to an attempt to prevent retaliation by SAC, he could increase casualties by reducing warning and hitting more cities.

These casualty calculations are far from definitive. In addition to the intrinsic uncertainty concerning the size of the enemy's attack and his tactics, the model used was simple and subject to error. But the major implications of the calculations are probably valid. A system of fallout shelters might save tens of millions of lives in either a 50-city or a 150-city attack. A complete system of blast-and-fallout shelters would, of course, be more effective; and in the case of a 150-city attack, such a system would probably be needed to hold fatalities below a third of the population. Both systems would be affected by the amount of warning available, and sufficient time for tactical evacuation would be particularly important for effective use of the fallout shelters. Prior strategic evacuation, if this were possible, could make a large improvement in the performance of either system. Thus the effectiveness of non-military defense systems would vary greatly with circumstances, but the cases in which performance is promising seem sufficiently likely to warrant serious consideration.

III. Long-term Fallout

The second major question that must be examined in connection with non-military defense is whether the population can survive the long-term radiation levels resulting from fallout. There would be little point in sheltering people from the instantaneous blast and short-run fallout effects of a nuclear attack if they emerged from the shelters into an atmosphere so radioactive that life could not be sustained. Long-term radiation appears particularly threatening in the light of current widespread fears about the consequences of nuclear testing—which releases only a fraction of the radioactive materials that would be released in an all-out nuclear war.

The criterion that we shall use here in examining the consequences of long-term fallout, however, is quite different from the criterion generally used in discussing nuclear tests. There the concern is commonly with keeping radiation levels low enough so that the number of people who might be injured is small in a "statistical" sense; here the concern is with evaluating the extent of further biological damage, relative to the number of people who survive the immediate catastrophe of nuclear war. We are also interested in any measures that might reduce the long-term biological damage, even though considerable damage seems inevitable.

MEDICAL CONSEQUENCES OF RADIATION

Medical evidence on the ability of the human body to sustain instantaneous or short-term exposure to total body radiation is reasonably clear; something like 200 roentgens will cause serious illness and some deaths. Evidence about heavier doses is more ambiguous, but about 450 roentgens seem likely to cause a 50 per cent death rate; and perhaps 600 roentgens will cause virtually 100 per cent fatalities. Holding the short-term exposure below 200 roentgens for a large part of the population is one of the essential functions of a system of population shelters.

The consequences of chronic lifetime exposure to radiation are not so clear. There is evidence, however, that long-term damage can be assessed largely in terms of decreased life-span; increases in such specific diseases as leukemia are statistically less important than increases in death rates from all causes. Moreover, analysis and extrapolation of data on radiation damage to animals suggest that a reasonable though uncertain estimate of the extent of life shortening might be something like 7 years per 1000 roentgens for children, and less for adults. (Observations on the life-span of radiologists in comparison to other physicians less exposed to radiation indicate that the animal data are not optimistic.) General life shortening of this sort would be a real human tragedy, but would hardly threaten survival of the population; it may be noted that about 10 years have been added to the adult life-span in the United States since 1900 (apart from reductions in infant mortality, which have added an additional 10 years to over-all life expectancy).

Genetic effects of long-term radiation are even more difficult to estimate reliably, because the observed cases in existing studies of survivors of Hiroshima and Nagasaki and of American radiologists are so few as to barely meet accepted standards of statistical significance. However, the following statements appear to be reasonable—though again uncertain. For each 50-roentgen exposure of one parent, there may be an increase of one in a thousand in the number of harmfully affected offspring as a result of dominant mutations. Recessive mutations would only rarely produce serious malformation in immediate offspring, and their effects in lowered fertility and vigor would be spread out over many subsequent generations. Again the total human cost over time would be great, but the medical problem in any one generation could be handled. At present about 4 per cent of babies are stillborn or die shortly after birth, 2 per cent are malformed, and 2 per cent develop troubles later that are based on hereditary defects. Thus 1000 roentgens of long-term radiation to both parents might increase the chance of producing a seriously defective child from 8 per cent to perhaps 12 per cent.

The medical consequences of internal deposition of strontium-90, cesium-137, and other radiation products taken into the body with

food and water must also be considered. Strontium-90, which is chemically similar to calcium, is incorporated in the bone structure, and in sufficiently high concentrations causes bone cancer, and possibly leukemia. Extrapolating from cases of radium-caused cancer, it appears that a concentration of strontium-90 between 10 and 100 microcuries is the range from a statistically significant rise in bone cancer to serious difficulty with large numbers of cancer cases. This range, while uncertain, is used in the fallout calculations in the next section; here it may be noted that at present in the United States new bone is being laid down with a concentration of about 0.001 microcuries. The medical danger from cesium-137 appears to be less serious. In the untreated situation, cesium-137 and strontium-90 would probably enter the body at about the same rate. However, physical and biological factors combine to allow us to accept a ratio of 90 to 1 in calculating maximum permissible concentrations of cesium-137 relative to strontium-90. The medical danger from other isotopes deposited after a nuclear explosion needs further investigation, but present evidence indicates that strontium-90 and cesium-137 pose the most serious problems.

LONG-TERM FALLOUT LEVELS AFTER HYPOTHETICAL ATTACKS

The seriousness of the long-term radiation problem has been examined with the aid of two fallout calculations, based again on two hypothetical enemy attacks. The first attack, which corresponds approximately to the 50-city attack discussed previously, was defined as an attack that releases about 1500 megatons of fission products. The second attack was based on the extreme hypothesis of 20,000 megatons of fission products. (Note that this attack is much heavier than the 150-city attack discussed above; we shall call it an area attack, because with certain enemy tactics its blast effects might be sufficient to destroy all structures in entire states or regions.) This area attack was assumed in order to examine long-term fallout problems far more serious than have generally been considered.

Before examining the results of the fallout calculations, let us note three characteristics of fallout that are important in interpreting the calculations. First, fallout would be quite unevenly distributed over the United States, particularly after a 50-city attack. This raises the possibility of people living and raising food primarily in the less-contaminated areas of the country. To point up this unevenness, the calculations specify average fallout levels (the total deposit divided by the U.S. area), maximum fallout levels (applying to only a small fraction of the country and based on a geographical analysis of assumed targets, with allowance for overlap of fallout patterns), and minimum fallout levels (based on the U.S. share of worldwide fallout resulting from equal attacks on the United States and the USSR).

Second, fission products decay with the passage of time. The rate of decay is conventionally approximated with a formula involving the factor $t^{-1.2}$, which implies that the radiation rate a week after an attack would be 0.2 per cent of the 1-hour rate, and after 90 days would be 0.01 per cent. The actual dose levels would be $\frac{1}{2}$ to $\frac{1}{5}$ of those computed with the formula, because of large- and small-scale roughness of terrain, weathering, and deviations from the $t^{-1.2}$ decay rule. The calculations below are all standardized to refer to the period starting 90 days after the attack. It is, of course, recognized that fallout protection immediately after the attack must first be adequate to hold total radiation below 200 roentgens for the bulk of the population.

Third, countermeasures are possible to reduce the radiation that people receive. Decontamination, by washing or sweeping hard surfaces, and by plowing or scraping earth areas, can reduce residual radiation to levels $\frac{1}{5}$ to $\frac{1}{100}$ of those prevailing previously. Shielding buildings with earth or concrete can produce almost any attenuation desired; shielding to $\frac{1}{10}$ or $\frac{1}{100}$ of radiation levels outside is possible even on mobile equipment such as bulldozers. Once a few protected areas are available, radiation damage can be limited by rationing the number of hours per day that individuals have to work in a contaminated environment. In the calculations below, it is assumed that all dose rates would be reduced to $\frac{1}{100}$ of the level computed with

the $t^{-1.2}$ formula—perhaps $\frac{1}{10}$ for decontamination, multiplied by $\frac{1}{6}$ for shielding and time-rationing, multiplied by $\frac{1}{2}$ for more rapid decay than in the $t^{-1.2}$ formula.

Countermeasures to reduce people's consumption of strontium-90 in food and water are also available. Among such measures are those of shifting part of agriculture to less contaminated land; decontaminating cropland by deep plowing or scraping; maximum use of crops such as potatoes and wheat, which have low concentrations of strontium-90 in their edible portions; reducing normal consumption of calcium and replacing it with calcium pills from uncontaminated mineral sources; and, where necessary, removing fission products from drinking water by filtration or precipitation. Other possible countermeasures may be developed by research, including chemical treatment of soils to leach out strontium-90 or to limit its absorption by crops, development of food-processing methods that would reduce the content of fission products, and discovery of medicines that would limit retention of strontium-90 by people and animals. No quantitative allowance for these specific countermeasures against strontium-90 has been made in the calculations below.

The fallout calculations are summarized in Table 2 on page 20. In the case of a 50-city attack, the cumulative lifetime exposure to external total body radiation (after 90 days, with countermeasures), averaged over the area of the United States, might be less than 5 roentgens. The maximum in some areas might be about 75 roentgens, but a map study indicates that more than 85 per cent of U.S. land area would receive less than the average contamination. Thus if short-term radiation could be held below 200 roentgens for the bulk of the population, the additional long-term problem would be comparatively small. The general shortening of lives and genetic consequences resulting from short-term and long-term radiation combined would apparently be below the range discussed in the previous section.

As to strontium-90, the estimated long-term accumulation resulting from a 50-city attack, averaged over the entire United States, is 2 microcuries. (Note that the average is more representative for strontium-90 than for total radiation, because strontium-90 enters the

Table 2
ESTIMATED LONG-TERM RADIATION AFTER VARIOUS ATTACKS
1500 MEGATONS OF FISSION PRODUCTS (50-CITY ATTACK)

	Average	Maximum	Minimum
Total fallout (kilotons per square mile)	0.4	8.3	0.003
Radiation rate after 90 days with countermeasures ^a (milliroentgens per hour)	0.46	10	0.0035
Cumulative lifetime exposure ^a (roentgens)	3.4	73	0.026
Strontium-90 fallout (curies per square mile)	40	830	0.3
Cumulative lifetime concentration in bone without countermeasures (microcuries)	2	42	0.015

20,000 MEGATONS OF FISSION PRODUCTS (AREA ATTACK)

	Average	Maximum	Minimum
Total fallout (kilotons per square mile)	5.3	36	0.04
Radiation rate after 90 days with countermeasures ^a (milliroentgens per hour)	6.5	43	0.049
Cumulative lifetime exposure ^a (roentgens)	48	310	0.36
Strontium-90 fallout (curies per square mile)	530	3600	4
Cumulative lifetime concentration in bone without countermeasures (microcuries)	26	180	0.2

^a Assumes that radiation rates are reduced to $\frac{1}{100}$ of the level computed with the $r^{-1.2}$ formula, because of decontamination, shielding and time-rationing, and inaccuracy in the formula.

body in food presumably grown in all parts of the country. However, the relation between total fallout and ultimate physiological exposure is also more uncertain for strontium-90.) This is below the range discussed in the previous section, so it seems likely that strontium-90 would not create a critical public health problem, even without countermeasures.

In the case of the extremely heavy hypothetical area attack, the cumulative exposure to total radiation, averaged over the entire United States, might be about 50 roentgens. The maximum figure might be about 300 roentgens, however, and possibly less than half of the U.S. land area would have less than the average contamination. Thus more extensive radiation-control measures over a longer period of time would be indicated. But even in this case the medical and genetic effects of the combined short-term and long-term radiation would apparently be below the range examined earlier.

As to strontium-90, the long-term accumulation after an area attack has been estimated at about 26 microcuries, on the average, for the United States. This *is* within the range from statistically significant rise in bone cancer to generation of widespread cancer in the population. In this case, therefore, extensive and continuing countermeasures against strontium-90 would almost surely be needed. Fortunately, accumulation of strontium-90 in the body is a lifetime process, so there would be time to make such countermeasures effective.

To conclude: Despite many unresolved questions about long-term fallout, it seems to be a sound generalization that long-term radiation problems are a less critical threat to the survival of a population than the central short-term problem, namely, how to protect a substantial fraction of the population from the immediate disaster of a nuclear war.

IV. Recuperation of the Economy

The third basic question that must be weighed in considering non-military defense is whether a viable economy could be reconstructed after a nuclear war. If a large fraction of the population could be sheltered from the immediate attack, and if they could survive the long-term radiation that followed, could they also go on to support themselves and to restore a "reasonable" standard of living in less than a generation? We are, of course, also interested in noting any promising preattack or postattack policies that might facilitate economic recuperation.

REORGANIZATION PROBLEMS

The initial phase of economic activity following a nuclear attack would be dominated by reorganization problems, so that any resources that survived the attack could again be effectively used. These reorganization problems have been a major concern of existing government agencies in the non-military defense field, and little further effort was devoted to them in this study. Some of the problems are physical, such as the patching up of capital that has suffered only partial damage (for example, electric-power grids, open-hearth furnaces without chimneys), decontamination of factories immobilized by fallout, and even the disposal of millions of dead. Other pressing problems are institutional: preservation of the governmental framework, restoration of a monetary system and of decision-making authority in business enterprises, re-establishment of markets for consumer goods and raw materials (though doubtless controlled in certain respects), and activation of the labor force so that people support themselves by regular work (often in new occupations). In all of these instances, prior planning, based on a realistic appraisal of the postattack situation, seems to be the essential approach. For example, prior stocking of radiation meters and manuals, and

possibly even detailed plans, would be critically important for decontamination.

Given reasonable preattack preparations, these reorganization problems do not appear insuperable. In particular, we should not underestimate the strength in an emergency of a decentralized private-enterprise economy and of widespread ingenuity among the people. Accordingly, in the following analysis it has been assumed that extensive reorganization could be accomplished within perhaps 6 months, so that any economic resources that survived could be effectively used thereafter.

FOOD

During the reorganization phase, the bulk of the food and other consumer goods needed to sustain life would have to come from inventories or from imports rather than from domestic production. A thorough investigation of the normal geographical location of such inventories, and of the relation of probable surviving inventories to truly minimal needs of the population, is a bigger research job than could be done in this study. However, a rough estimate indicates that surviving food inventories, after either a 50-city or a 150-city attack, would be sufficient at least for survival. The government now has a large store of agricultural products accumulated in price-support operations; stocks of wheat, corn, and other grains on September 30, 1957, were sufficient to supply 2000 calories per day to 180 million people for more than 1 year. These government stocks are dispersed so as to be largely invulnerable to a city attack, they (as well as crops close to harvesting) are not made unfit for human consumption by fallout, and after some milling any grain is suitable for human consumption as an emergency diet. There are substantial further stocks in private hands. Emergency grain imports from Australia, Argentina, and other producing countries are also an important possibility.

The cost of 3 months' shelter rations for the entire population has been looked into to some extent. Minimum nutritional needs could probably be met by a source of calories (wheat flour and sugar

being cheapest), a source of protein (such as soy grits), and supplementary minerals and synthetic vitamins. The cost of 2000 calories of this minimum diet at wholesale prices would be something like 15 cents per person per day. Allowing for a somewhat more palatable food-mix and for packaging, a conceivable total cost figure might be 40 cents per person per day. Thus 3 months' rations for 180 million people might be expected to cost \$6 billion to \$7 billion initially, plus some recurring storage and deterioration costs. Such a stockpile of rations would be an essential element of a complete system of blast-and-fallout shelters in which the population might live for several months, and is an important subject for further research.

Turning to the production of food after the reorganization phase, it is reasonably clear that a 50-city attack would not be a serious threat to the recuperation of U.S. agriculture. At present, 320 million to 340 million acres of cropland are harvested annually. But only about 20 per cent are used to produce food for human consumption, the balance being used to produce industrial crops and feed for livestock. Further, the Department of Agriculture estimates that there are about 200 million acres now in pasture, range, and woodland that could be improved and planted to crops. Given the contamination levels after a 50-city attack as discussed earlier, adjustments of cropping patterns and land use should be sufficient to permit safe recuperation of agricultural output to preattack levels. The conclusion ought to be similar for a 150-city attack.

In the case of the hypothetical area attack discussed earlier, with 20,000 megatons of fission products, contamination of half or more of the area of the United States with dangerous concentrations of strontium-90 would present serious agricultural problems. Even here, countermeasures designed to hold the accumulation of strontium-90 in the general population below the threshold to widespread cancer generation appear to be available. It would also be possible, in an attempt to ensure against agricultural failure, to accumulate a special stockpile of unprocessed foodstuffs sufficient for a year or two at a minimum subsistence level. The government stocks of grain cited above, for example, were valued at about \$4 billion.

RECUPERATION AFTER A 50-CITY ATTACK

More vulnerable than agriculture to nuclear attack is a nation's industry. Industrial buildings and equipment are even more concentrated in large cities than population; the 50 largest metropolitan areas contain about a third of the U.S. population but more than half of U.S. manufacturing capital. Thus it is not unreasonable to fear that (even if reorganization problems were surmounted) destruction of the nation's capital might be so severe, and surviving capital might be so out of balance among industries, as to keep industrial production below levels adequate for recuperation.

As part of the over-all non-military defense study, therefore, a rough quantitative analysis of the status of the economy soon after a completely effective 50-city attack, and then a decade later, was undertaken. The basis for the analysis was a table showing the 1952 relationship between national capital (about \$830 billion) and the gross national product (about \$340 billion). Capital and GNP were connected by way of nine producing sectors, each of which used part of the national capital plus current inputs from other sectors, and produced current inputs to other sectors plus finished products that make up the GNP. This table was used to make two main calculations.

First, what could be produced with the surviving capital outside the 50 destroyed metropolitan areas in the first year after reorganization? Here it was assumed that in each sector output would be reduced in the same proportion as its capital—that is, to 30 to 60 per cent of the preattack output, depending on the sector. The finished products available as contributions to postattack GNP, taking account of necessary current inputs to other sectors, could thus be calculated. The results are set forth in Table 3. In the first year after reorganization, it appears that surviving capital would permit a GNP of between 50 and 60 per cent of the preattack GNP, with consumption being a little higher, investment a little lower. On a per capita basis (if as many as 85 per cent of the population should survive), this would be about the same as in 1929 or 1940. Also on a per capita basis, the availability of broad categories of consumption goods—food, housing, and nondurables—seems to be sustainable.

Table 3
POSSIBLE RECUPERATION OF GROSS NATIONAL PRODUCT
AFTER 50-CITY ATTACK
 (Percentage of preattack)

Categories of National Product	First Year after Reorganization	Eleventh Year after Reorganization	
		Consumption Policy	Investment Policy
Gross national product	56	89	128
Consumption	58	103	137
Food	77	100	124
Housing	60	95	133
Nondurables	51	113	135
Durables (new)	0	86	216
Government	54	72	86
Investment	48	48	150 ^a

^aSixth year: 202.

The one major bottleneck indicated is in the capacity of the economy to produce new durable goods (metals, building materials, and machinery). The calculation suggests that in order to restore production of new industrial machinery to only a quarter of its preattack level, it would be necessary to stop production of new consumer durables entirely and to reduce production of new military equipment sharply to a maintenance level.

The second calculation examined the possible reconstruction of capital and expansion of GNP over the following decade. Here it was assumed that each sector could expand its output only in the same proportion as its capital was rebuilt. The total rebuilding of capital in the entire economy was limited by the cumulative output of the two sectors, durable goods and construction, which produce new equipment and buildings. Two policy variants were also considered. Under the consumption-oriented policy, investment was held at the postattack level throughout the decade, and as new capital became available it was devoted to producing an immediate increase in consumption. Under the investment-oriented policy, consumption was held constant for 5 years, while the capital-producing sectors were expanded, and then a much larger volume of investment in the last 5 years was directed to a more rapid improvement in consump-

tion. Under either policy the calculation suggests that the status of the economy after a decade of reconstruction could be more favorable than has been feared. A consumption-oriented policy might permit a GNP of about 90 per cent of the preattack GNP, while the more ambitious investment-oriented policy might attain 125 per cent. Thus restoration of the preattack GNP within something like a decade seems a reasonable estimate.

It is apparent that these calculations are rough. There undoubtedly would be narrower bottlenecks within the broad sectors analyzed here. Yet in view of such experiences as the handling of the rubber crisis in World War II, it is hard to believe that they would be disabling; fairly small stockpiles of materials and products needed to overcome narrow bottlenecks are also possible. Serious attention would have to be paid to the possibilities of raising production through more intensive use of capital (for example, by increasing the number of work shifts), of economizing on capital costs of rebuilding plants in the postattack environment (for example, by temporary structures), and of postponing retirement of old plants and equipment during the reconstruction effort. On balance, however, there is probably as much ingenuity and flexibility in the real world as in this analysis.

This general picture of recuperation after a 50-city attack has certain implications for preattack non-military defense policy. Three main kinds of action can be listed in what seems to be a sensible order of priority. First, stockpile construction materials for patching up partially damaged capital during the reorganization phase. Clearly the payoff from such emergency repairs would be great. Research into likely patterns of partial damage in key industries, and into economical ways of patching them up in the postattack environment, is needed. An interesting idea is to stockpile connectors (such as nails, rivets, and welding rods) for use with salvaged materials. Second, preserve normal inventories of metals, building materials, and machinery. Capital in these industries was the major bottleneck revealed in the calculations described here. Research into the amount and kinds of payments needed to persuade private firms to bear the added cost of sheltering their normal inventories is needed. In the

case of machinery, obsolete equipment would be cheap today, but valuable after an attack. Third, shelter complete plants in the durable goods sector of the economy, or possibly standby components of plants. Again, research into the added costs of underground operations in key industries is needed, as further discussed under "Heavier Attacks and Industrial Shelters," below.

HEAVIER ATTACKS AND INDUSTRIAL SHELTERS

Heavier attacks would of course further reduce the industrial capital that might survive for postwar use, and would increase the danger that narrow bottlenecks might limit effective use of that which did survive. A 150-city attack would raise the level of destruction from about 55 per cent of U.S. manufacturing capital to around 70 per cent. And an area attack, which might conceivably collapse all structures in the eleven most important industrial states of the northeast plus all the remaining metropolitan areas in other states, could destroy nearly 85 per cent. Though part of U.S. capital would survive even the hypothetical area attack, it seems clear that some means of preserving a larger fraction would be needed to face postwar recuperation with any real hope.

Blast shelters should be able to provide such protection for industrial capital just as for population. There are differences in the technical problems to be faced—for example, industrial plants that release much heat would require additional cooling equipment, and those with a large volume of material inputs and product outputs would require larger entries and more transport equipment. But there seems little question that either conventionally constructed "medium" shelters or excavated deep rock "heavy" shelters could be designed and built for industrial capital.

Some illustrative examples of the possible costs of such underground construction are also available. The Army Engineers have published engineering estimates of the comparative costs of reproducing three specific plants on the surface and in existing mines. A chemical processing plant was estimated to cost about twice as much underground, a precision manufacturing plant about a third

more, and a warehouse actually 15 per cent less. These costs were for building a nearly identical surface plant underground; further engineering estimates prepared as part of the current study, in which plant designs were adapted to the special characteristics of mine space, indicated that costs could be lower (and perhaps even below those on the surface) for all three types of plant. It should be noted, however, that initial plant construction costs, when placed on an annual basis, are only a small fraction of total annual costs—for example, perhaps a tenth as large as labor costs in manufacturing. This suggests, on the one hand, that a manufacturer might absorb substantially higher construction costs considered by themselves, but on the other hand, that incidental effects of underground plants on location costs and labor costs could be a more serious obstacle. Further research into the economical design of plants in many industries for underground operations, and into methods needed to induce private firms to accept such locations, is indicated.

If the United States embarked on a broad program of underground industrial-plant construction, an important characteristic of the program would be that it could be limited to a fraction of total industrial capital. Some capital could be expected to survive because of its normal geographical dispersal, and if the analysis given in "Recuperation after a 50-city Attack" (page 202) is reasonably reliable, survival of something like half of total capital might permit a respectable recuperation. A crude estimate of the total cost of sheltering about a fifth of manufacturing capital by 1970 was prepared as part of the study, using the published cost differentials cited above, and allowing for different degrees of normal dispersal among some twenty manufacturing industries. Such a program, which might leave the economy somewhat better off after a 150-city attack than with no industrial shelters after a 50-city attack, was calculated to cost on the order of \$30 billion, though the figure is surrounded with great uncertainty.

MINES

Mines for the excavation of low-valued ores such as limestone seem to have many possible uses in non-military defense. We have

already referred to adapting them for temporary population shelters, for warehouses (at costs competitive with surface warehouses), and for manufacturing plants. Combinations of these uses can be planned—for example, permanent underground industrial plants usable as temporary population shelters. Explicitly military functions are also possible—for example, control and communications centers in the air-defense network. Accordingly, a quick survey of the availability of such mines was undertaken as part of the study.

A reasonable estimate is that the United States now has at least 750 million square feet of usable space in mines with suitable characteristics for industrial or population shelters. This is 10 to 15 per cent of existing manufacturing floorspace; alternatively, at 20 square feet per person it could accommodate nearly a fourth of the U.S. population. Of course, part of this space is not conveniently located for use as industrial shelters, and the bulk of it would be usable as population shelters only if outfitted and in the event of strategic evacuation. But it seems reasonably clear that mine space is a major national asset, the possible uses of which have not been adequately explored.

In the longer run it ought to be possible to expand markedly the availability of such mine space at convenient locations. The bulk of low-valued ores currently being produced comes from quarries. But firms with mining operations sometimes compete in the same markets, and the choice between quarrying and tunneling is based on cost for the particular deposit being exploited. Payment of a premium for low-valued ores excavated from mines rather than from quarries could over time stimulate considerable conversion of operations. Limestone, for example, is currently sold at prices in the neighborhood of a dollar per ton at the minehead, which is equivalent to about a dollar per square foot of floorspace created. Thus a premium of as little as 50 cents per square foot could have a widespread effect on operations in the limestone industry. Premiums could also affect the location of mining operations, since there seem to be billions of square feet of readily excavatable rock formations (though at higher costs) suitably near or under many large U.S. cities.

V. Some Possible Non-Military Defense Programs

Our discussion of population shelters, long-term fallout, and economic recuperation suggests (despite the many uncertainties involved) that non-military defense measures could significantly alleviate the catastrophe of a nuclear war. There appear to be technically promising possibilities for protecting many people from immediate blast and fallout, for enabling the population as a whole to carry on despite long-term radiation, and for restoring a reasonable standard of living within less than a generation. It is important to consider the costs of these technical possibilities, however, since today there are many strong claimants on the government budget, and thus on the incomes of voters and taxpayers. It is especially important to consider a range of costs for alternative programs that attempt different levels of performance. Only rough cost estimates are possible with the imperfect information now available, but as part of the over-all study an attempt was made to indicate their order of magnitude for several coherent programs.

EXISTING PROGRAMS AND ASSETS

In the last few years the U.S. government has been spending between \$50 million and \$100 million a year on non-military defense, apart from stockpiling. This figure is extremely small both in relation to the entire national defense budget and in comparison with the costs of certain possible non-military defense measures discussed above. However, a good deal could probably be done with expenditures as small as two to three times recent annual budgets, particularly by taking advantage of existing assets.

A non-military defense program costing \$200 million to \$300 million could probably accomplish most by concentrating on a system of improvised fallout shelters outside the large cities. Such a program might include the following major elements: identifica-

tion of existing buildings in small cities and towns that provide high attenuation factors against fallout; provision of sandbags, water tanks, and other minimal supplies needed to convert these buildings into operating fallout shelters for short-term occupancy; widespread distribution of radiation meters, as discussed earlier; preparations to take advantage of partial strategic evacuation, in case international tension should make it desirable; planning and practice of tactical evacuation of cities for which fallout accommodations are available in a belt 20 to 50 miles away from the center. None of these actions would be very expensive, and the resulting system might cover only part of the population, yet in appropriate circumstances they might save millions of lives. Once the government embarked on such a program, helpful private actions would be more likely.

Existing government assets could also be adapted in certain respects to non-military defense objectives. The Office of Defense Mobilization now has a strategic stockpile containing over \$6 billion worth of industrial raw materials, accumulated to support a war mobilization of several years. Modification of the stockpile with an eye to economic recuperation after a short nuclear war would be sensible. Further processing of part of the raw materials, so that they could be more quickly used amid the widespread destruction following a nuclear attack, might possibly be financed by gradual disposal of unprocessed materials. The government also owns \$2 billion to \$4 billion worth of war-reserve machine tools. These are largely stored at plants producing military equipment, to facilitate rapid expansion of output during a mobilization. Here a reasonable adaptation would probably be to store the tools either in shelters or in non-target locations so that they could be expected to survive a nuclear attack. Certainly such tools should not be disposed of, as has been considered, without evaluating their non-military defense contribution. The Army, Navy, and Air Force have several billions of dollars' worth of obsolete military stocks, ranging from generally useful items like clothing to specialized items like jet engines. These might be investigated to see how much could be useful for non-military defense as well as for military reserves. Finally, the Commodity Credit Corporation has \$7 billion to \$8 billion worth of agricultural

products, accumulated in connection with the price-support program. Fortunately, most of these holdings are already geographically dispersed, but some further improvements are perhaps possible.

TWO SCALES OF SHELTER PROGRAMS

The essential ingredient of non-military defense programs that offer greater hope of alleviating nuclear disaster is a comprehensive and coordinated system of population shelters. There appears to be a wide range in the cost of such programs, however, depending on the degree of protection attempted for residents of large cities and the amount of associated preparation for postattack survival and recuperation. To illustrate the range of costs, two hypothetical programs are presented in Table 4. These programs are comparable to the two systems whose performance was calculated in the section on "Performance of Possible Shelter Systems under Hypothetical Attacks" (page 188).

Table 4
ESTIMATED INITIAL COSTS OF TWO POSSIBLE NON-MILITARY
DEFENSE PROGRAMS
(Billions of dollars)

	<i>Program A— System of Fallout Shelters plus Limited Economic Support</i>	<i>Program B— System of Blast and Fallout Shelters plus Extensive Economic Support</i>
Population shelters		
"Heavy" blast shelters (500 psi and up, \$700 per shelter space)	0	28
"Medium" blast shelters (50 to 200 psi, \$400 per shelter space)	0	20
"Light" fallout shelters (improvable later, \$150 per shelter space)	15	26
"Improvised" fallout shelters (\$10 per shelter space?)	1	0
Food rations and stockpile (40 cents per ration per day)	1.5	25
Nonfood stockpile	1.5	20
Industrial shelters	1	30
	<hr/>	<hr/>
TOTAL	20	149

Program A is designed to provide fallout protection only (requiring several hours of warning to save many people in the large cities), plus economic support appropriate for a 50-city attack. It includes no heavy or medium shelters, but light and improvised shelters (an equal number of each) are distributed to accommodate the entire population after strategic or tactical evacuation. It provides 30 days' special rations for about two-thirds of the shelter-places, and presumes that people carry additional food into the shelters with them. The small nonfood stockpile concentrates on decontamination equipment and construction materials for patching up damaged capital equipment. The industrial shelters represent largely the cost of inducing firms in durable-goods industries to shelter their normal inventories.

Program B is designed to provide both blast and fallout protection with 30 to 60 minutes of warning, plus economic support appropriate for a 150-city or larger attack. It includes heavy and medium shelters for all residents of the 150 largest cities, as well as light shelters for the rest of the population, with extra spaces for evacuees from the large cities in case that proved feasible. It provides 90 days' special rations for each place in a shelter, plus \$15 billion for a bulk food stockpile. The substantial nonfood stockpile to facilitate economic recuperation includes much more decontamination equipment and construction materials, as well as selected parts for key industries, and the cost of increasing available mine space. Finally, Program B provides industrial shelters for something like a fifth of pre-attack manufacturing capital.

Quite rough estimates of the costs of these two programs, as set forth in Table 4, suggest that non-military defense programs may range in cost from \$20 billion to \$150 billion (that is, \$2 billion to \$15 billion a year over a decade), depending on the scale attempted. These costs have been estimated without allowing for a tendency in many public construction projects to provide more luxurious accommodations, but on the other hand they represent programs that are coherent and complete. Intermediate programs at intermediate costs are also possible.

The desirability of adopting a non-military defense program at any

particular scale of cost can only be evaluated, of course, in a broader context. One element in the problem is the willingness of U.S. voters to support appropriations for all national-defense purposes combined. Another element is the estimated performance and cost of other kinds of national-defense expenditures: long-range retaliatory forces, facilities for active defense of the United States, and capabilities for conducting limited wars overseas. No attempt has been made in this study to carry through such an over-all examination of the national-defense problem. Costs of various possible non-military defense measures should be considered in such an over-all evaluation, however, and the rough estimates presented here may serve to guide more thorough investigations.

TIMING AND PHASING PROBLEMS

Any large new government construction program normally takes years to put into effect, and a non-military defense program near the more ambitious end of the cost scale might take especially long to implement because of the many new problems to be faced. Yet it is important, before carrying out any construction, to clarify the uncertainties that at present surround non-military defense measures—both to provide a firmer basis for a policy decision as to the appropriate scale of effort, and to improve the performance or lower the cost of any measures that are chosen. Considerable thought has therefore been given to possible ways of clarifying these uncertainties without losing much time in the normal construction process.

The most promising approach appears to consist in prompt initiation of a broad research, development, and planning effort in the non-military defense field. The design and planning of specific measures should be carried sufficiently far so that if it is later decided to undertake them, normal lead times could be significantly cut. Prompt investigation and decision would also permit measures that work gradually over time to be useful, such as premiums for the creation of suitably located mine space.

Another approach, if a large-scale non-military defense program should be decided on, would be to create a temporary stockpile of

materials needed in the construction of shelters. Such a "starter set," accumulated while legal and other arrangements were being made in localities throughout the country, would even out the impact of the program on the economy. More important, it might permit a program that was originally planned to take perhaps a decade to be markedly accelerated if international relations became unexpectedly tense. A crash program, akin to the expansion of military production in the Korean war, might be able to proceed without critical material shortages. There are also possibilities for combining such a "starter set" with the stockpiling of materials for postattack recuperation.

Phasing a non-military defense program also raises difficult choices. On the one hand, early capabilities are desirable. On the other hand, the enemy threat can be expected to continue to mount, both in terms of weapons characteristics and in terms of effective delivery systems; it is important that any measures adopted now continue to be useful in the late sixties. Fortunately the relatively inexpensive measures discussed under "Existing Programs and Assets" (page 208) could provide some early capabilities, without costly obsolescence later. Radiation meters in particular would continue to be useful in any program. Moreover, with forethought, elements of the more ambitious programs examined in the section entitled "Two Scales of Shelter Programs" (page 210) could provide early protection and still be improvable in the future. For example, light fallout shelters could be designed for conversion to medium blast-and-fallout shelters through the addition of better blast doors. Also, the first shelters built ought to have sufficient utilities to accept severe overcrowding; only as more shelters were built could the habitability standards set as an objective be approached.

VI. Interactions with Other Aspects of National Defense

ACTIVE OFFENSE

The U.S. Strategic Air Command defends the population and economy principally by deterring general war through the threat of retaliation. Beyond this, if deterrence failed, SAC would continue to play a central role in the defense of U.S. cities. It could (a) force the diversion of limited Soviet long-range forces to attacks on SAC rather than on cities, (b) limit total damage by making counterforce attacks on the Soviet strategic force and ending the war, and (c) by a combination of these, gain time for the population to take advantage of non-military defenses. It should be stressed that protection for SAC is as important for its role in limiting destruction of cities as for its deterrent posture. It would be sensible to locate SAC bases and missile centers well away from large cities, in sparsely populated areas in the interior of the country. In addition, a program of sheltering planes, missiles, weapons, and essential support facilities would make an enemy's problems much more difficult. The importance for the civilian population of limiting the number of cities attacked on the first strike, and of obtaining warning of impending strikes, has already been indicated in the casualty calculations discussed in the section on "Performance of Possible Shelter Systems under Hypothetical Attacks" (page 188).

ACTIVE DEFENSE

Active defense and non-military defense mutually support each other. The mere existence of active-defense forces helps to limit civilian casualties by compelling the enemy to launch larger raids, which are more likely to be detected and thus to provide warning. Moreover, active defense may cause further diversion of weapons from city targets to air-defense targets and to the task of penetrating

to SAC targets. Finally, active defense of the cities themselves, even though only partially effective, can limit total national casualties by compelling the attacker to limit the number of cities attacked, by reducing the number of bombs on target through attrition, by degrading the accuracy of the attack, and by forcing the attacker to design countermeasures that are expensive and that reduce bomb loads. It is especially important to prevent an enemy from having a free ride in follow-up attacks, because without continuing resistance he could cause almost any level of casualties he wished.

On the other hand, non-military defense measures contribute most importantly to active defense by making attainable levels of performance worth while. An effective non-military defense system could sharply reduce the number of casualties per enemy bomb, and thus give an active-defense system capable of screening out a substantial fraction of the enemy weapons, even if not all of them, a more important role in the national defense. Non-military defense also helps active defense in more technical ways—such as by making the enemy attempt more accurate (and more easily disturbed) delivery systems, and by permitting the defensive use of larger atomic warheads at closer range.

SOVIET NON-MILITARY DEFENSE

Non-military defense should also be examined through the looking glass: What would be the implications for U.S. policy if the Soviet Union embarked on a major non-military defense program? It is not widely realized that Russia already has a respectable program, including reinforced basement shelters and a program of mass civil-defense education. It is true that the specifics of the Soviet program seem more appropriate to small-yield fission weapons than to large-yield thermonuclear weapons. But even the present program, given the warning inherent in making the first strike, would almost surely be able to reduce casualties significantly. Further, it could readily serve as the base for a more comprehensive program.

The Soviet Union would have several advantages over the United States in implementing a major shelter-construction program. The

real cost of constructing heavy and medium shelters for Russian cities would be only about half that of constructing similar shelters in the United States, because the Soviet urban population is smaller and less concentrated. Fallout shelters could be readily improvised for the rural population, because most existing structures are built with thick earth and timber walls and with small windows and doors. On the other hand, extensive protection of industrial capital for postattack recuperation and accumulation of large food stockpiles would probably be more difficult.

If the Soviet Union were to embark on a large-scale non-military defense program, it could have important implications for U.S. defense policy. Non-military defense might strengthen the resolve of Soviet leaders and make it more difficult to deter them either from major provocation elsewhere in the world or from direct attack on the United States. In particular, it could make a Russian first strike appear more attractive. And if deterrence failed, hardening Soviet targets could make it more difficult for U.S. offensive forces to accomplish heavy retaliation.

VII. Conclusion: Some Policy Suggestions

A BROAD RESEARCH, DEVELOPMENT, AND PLANNING PROGRAM

The major conclusion of this study of non-military defense is that there are more promising possibilities for alleviating the disaster of a nuclear war than have been generally recognized. There appear to be possibilities of providing inexpensive fallout protection for people outside blast areas, of constructing blast shelters capable of standing up to thousands of psi, of carrying out strategic or tactical evacuation if sufficient warning is available, of limiting the long-term biological damage to the population resulting from total radiation, of adopting countermeasures to contain the strontium-90 problem even after very large attacks, of ensuring a minimum supply of food immediately after the attack, of reconstructing destroyed industrial capital within much less than a generation, and of integrating non-military defense measures with other aspects of national defense. Moreover, some hypothetical non-military defense systems that have been examined seem to be capable of saving tens of millions of lives in the face of conceivable enemy attacks, and of preserving a foundation for meeting long-run radiation hazards and for post-attack economic recuperation.

On the other hand, each of these possibilities is at present surrounded by considerable uncertainty, with respect to both performance and cost. There is a wide range in the probable costs of alternative non-military defense systems, and such systems must be evaluated in conjunction with other elements in the U.S. national defense posture. Further investigation is indicated, to pin down the uncertainties, to make sure that serious difficulties haven't been overlooked, and to provide a sounder basis for evaluation.

Accordingly, the principal policy suggestion stemming from this study is that the United States ought to undertake a serious research, development, and planning program in the field of non-military de-

fense. Such a program should be broad in that it addresses itself simultaneously to the whole complex of issues involved in non-military defense, as touched on in this study. Such a program should also be detailed and concrete, so that if a comprehensive non-military defense system is later decided on, it could be initiated quickly.

It should be stressed that it does not appear sensible to embark on a comprehensive non-military defense program now without such prior research. An ill-considered program could be costly, threatened with obsolescence, and inconsistent with other important elements of national defense.

An appropriate scope for such a research, development, and planning program can be illustrated with a \$200-million budget, spread over 2 or 3 years. In this connection, we may note that it costs \$100 million to \$200 million to develop an interceptor aircraft, \$500 million to \$1 billion to develop an intercontinental bomber, and \$1 billion to \$2 billion to develop an ICBM. Moreover, if non-military defense measures involving billions of dollars should ultimately be adopted, such prior research could readily pay for itself by saving only a small percentage of the total cost.

A sensible allocation of funds to individual projects within a \$200-million budget has also been prepared. This program is discussed in another document to be issued separately,⁵ but a brief summary (with selected examples from the detailed program) is set forth in Table 5. The goal was to make sure that every important subject was adequately covered, rather than to see that every dollar was spent economically. The detailed program should indicate, however, that the issues raised by non-military defense are concretely researchable.

REORIENTATION OF PRESENT PROGRAMS AND EXISTING ASSETS

Apparently there are a number of instances in which substantial non-military defense capabilities seem to be attainable at modest cost, by reorienting present programs and the management of exist-

⁵ Herman Kahn *et al.*, *Some Specific Suggestions for Getting Early Non-Military Defense Capabilities and Initiating Long-range Programs*, The RAND Corporation, Research Memorandum RM-2206-RC, July 1, 1958.

Table 5
A PROGRAM OF RESEARCH, DEVELOPMENT, AND PLANNING
IN NON-MILITARY DEFENSE
(Millions of dollars)

PERSONNEL SHELTERS	\$ 65
<i>Example: 5.</i> Detailed studies of shelters designed for ten representative medium and small cities. The studies should proceed from engineering proposals through feasibility checks to final designs. Various levels of adequacy, phasing questions, and possibilities of future improvement should be considered. (\$6)	
MINES	15
<i>Example: 6.</i> Preliminary design of underground plants in twenty important industries. Emphasis should be on modifying surface designs to exploit mine characteristics. The study should include all factors that influence the profitability of operations, not just construction costs. (\$3)	
CONVENTIONAL INDUSTRIAL SHELTERS	5
<i>Example: 1.</i> Study of the practicability of protecting essential parts of plants in twenty important industries, using conventional protective construction. (\$1)	
PRIVATE INDUSTRY STUDIES	15
<i>Example: 1.</i> Analysis of inventory protection in twenty important industries. Emphasis should be on fixed capital, working capital, and operating costs of alternative measures—transferring inventories to nontarget locations, to constructed shelters near plant, to mine shelters in available locations. If possible, studies should be contracted with leading firms. (\$2)	
SPECIAL EQUIPMENT AND PROCESSES	15
<i>Examples:</i> Engineering design studies of excavating machines, blast doors, ventilation equipment, shelter utilities, intershelter communication, construction with salvaged materials, radiation shielding for vehicles.	
ANTICONTAMINATION AND FALLOUT	30
<i>Example: 4.</i> Study of fallout countermeasures—including decontamination equipment, wash-down systems, shielding methods, decontamination of food and water, changes in farming techniques. (\$13)	
MEDICAL ASPECTS OF SHELTERS	10
<i>Example: 7.</i> Research in acute radiation therapy, including medicines to ameliorate the effects of temporary exposure, protective clothing, and methods of medical treatment. (\$2)	

FOOD AND AGRICULTURE.....	15
<i>Example: 4. Controlled experimentation with various diets, aimed at developing lowest-cost shelter rations and evaluating post-war survival diets. (\$3)</i>	
EXPANSION OF GOVERNMENT STUDIES.....	10
<i>Example: 1. Investigation of non-military defense adaptations of existing government activities—joint-use construction of schools, government buildings, highways; city planning; foreign-aid programs. (\$1)</i>	
ACADEMIC STUDIES.....	5
<i>Examples: Theory of the response of buried shapes to blast pressures, inducements to private firms to preserve obsolete machinery, social and psychological influences on shelter morale. Emphasis should be on one-man projects that tap intellectual resources widely.</i>	
SYSTEMS ANALYSIS.....	10
<i>Analysis of performance and cost of non-military defense systems in a wide variety of war situations, and of interactions between non-military and military defense, is essential for evaluation of measures studied in other parts of the program.</i>	
MISCELLANEOUS.....	5
TOTAL.....	<u>\$200</u>

ing assets. Accordingly, a second general-policy suggestion is that wherever such fairly inexpensive possibilities exist, they should be introduced, up to an additional cost of perhaps \$300 million. Such an inexpensive program might save millions of lives, facilitate economic recuperation, and phase into extensive shelter construction if that should later be decided on. Three specific kinds of reorientation can be suggested.

First, planning in government civilian agencies should be primarily oriented to a short thermonuclear war. The objective should be to protect civilians, aid their survival, and rebuild the economy, rather than to mobilize war production to support a large overseas army. A clarifying directive from the National Security Council would help to place mobilization planning, and the expenditures currently being made in this field, on a more plausible basis. Correspondingly, plan-

ning in the military departments might place greater emphasis on the interaction of military operations with non-military measures to protect civilian society.

Second, the management of existing stockpiles should be re-oriented insofar as practicable to support non-military defense. The government now owns about \$20 billion worth of industrial raw materials, machine tools, obsolete military stocks, and surplus agricultural commodities. Inexpensive actions to process, store, relocate, or protect these stockpiles might be initiated, as discussed under "Existing Programs and Assets" (page 208). Certainly the government should not dispose of these stocks without first considering seriously their possible contribution to non-military defense.

Third, current non-military defense programs should be reoriented to emphasize improvised fallout protection, procurement and distribution of radiation meters, and arrangements for strategic and tactical evacuation of large cities. A realistic program of this sort on a reasonable budget (see "Existing Programs and Assets," page 208) could provide a sensible objective for existing agencies in the non-military defense field, and thus make their efforts more productive.

PROMPT CONSIDERATION OF LONG-TERM MEASURES

Certain measures that might be incorporated in a comprehensive non-military defense program would come to fruition only over a period of years. Such measures, therefore, ought to be considered and (if sound) brought into operation as soon as possible. Four specific long-term suggestions of this nature were developed in the study.

The first suggestion is a program to stimulate the creation of suitably located mine space. As discussed on pages 206 and 207, mine space seems to have many non-military defense uses, and it should be possible to obtain such space much more cheaply by small premiums to mine operators over a period of years than in a crash program of mass excavation.

Second, an interesting idea that might contribute to the solution of

institutional problems during postattack reorganization, and that might permit some of the costs of preattack measures for economic recuperation to be prefinanced outside the federal budget, is a War Damage Equalization Corporation. Such a corporation might sell "insurance" on a compulsory or voluntary basis to financial institutions, business firms, and individual property owners. These funds might then be invested in the accumulation of nonfood stockpiles, in the creation of industrial shelters, and in other measures that would increase the real assets available after a war. The "insurance" claims on the corporation could serve as a basis for restoring postattack operations of financial institutions and business firms, and for redistributing property losses more equitably among firms and individuals. Other arrangements to carry out these functions are of course also possible, and the entire subject deserves serious consideration.

Third, given clear and realistic orientation as to the nature of non-military defense problems, private professional organizations ought to be able to make important contributions to their solution. To cite a single example, if the government provided such guidance, the American Society of Civil Engineers might be quite helpful in developing structural designs for fallout shelters in small cities with peacetime as well as wartime uses.

The fourth suggestion has to do with initiation of long-term planning for governmental civilian agencies in the non-military defense field. The objective should be to establish independent staffs whose full-time purpose is to keep abreast of prospective military and technical developments and to plan corresponding adaptations of current agency operations. Long-range planning is now accepted in the military departments, and it is equally important for non-military defense.

EXHIBIT III

SPRAGUE ELECTRIC COMPANY,
North Adams, Mass., February 25, 1960.

Honorable HENRY M. JACKSON,
Chairman, Subcommittee on National Policy Machinery,
United States Senate,
Washington, D.C.

MY DEAR SENATOR: I am enclosing a copy of Exhibit III which, as requested by you, is to be made a part of my testimony before your subcommittee.

This supports the statement which appears towards the bottom of page 4 of my prepared statement which has to do with the relationship between GNP and Total Debt and I refer you particularly to Table I which appears towards the end of Dr. Calkins' paper. Incidentally as I mentioned, Dr. Robert Calkins is president of the Brookings Institution of Washington, D.C.

Before sending this material, I checked with the Federal Reserve Bank in Boston and received corrected figures for the GNP and therefore the ratio between debt and GNP for 1956, and also obtained up-to-date figures for 1957, 1958 and 1959 (estimated).

These are as follows:

Year	GNP	Total Public and Private Debt	Debt	Federal Debt	State & Local Debt	Private Debt
			GNP			
1956.....	419.2	764.2	1.82	300.5	48.0	415.7
1957.....	442.5	795.9	1.80	301.7	52.5	441.7
1958.....	441.7	829.7	1.88	310.6	57.2	461.9
1959(e).....	479.5	885.6	1.85	320.9	62.0	502.7

I also find the corrected figures for 1957 give a higher ratio than shown by my earlier records and the ratio figure is now 1.80 instead of 1.71.

In view of this change and a further study of the figures, I would like to modify the two sentences which start at the middle of the next to the last line page 5 and run over to the start of the second line page 6 of my prepared statement to the following:

"This ratio has averaged 1.98 during the period, and is estimated to be 1.85 for 1959."

Incidentally, all of the figures in the Table and the additional ones included above are as of the end of each particular year.

The chart showing the breakdown of the Total Debt into its several components follows immediately after Table I.

It was an honor to have appeared before your committee and I appreciate the help and many courtesies which both Dr. Baxter and I received from you and your capable staff.

You will be interested to know that Dr. Baxter and I arrived back in North Adams by air in almost record time and he was able to travel with his own group to Amherst.

With warm regards.

Cordially,

ROBERT C. SPRAGUE

GROWTH OF DEBT IN A GROWING ECONOMY

By Robert D. Calkins, October 28, 1957

Several studies recently have drawn attention to the fact that debt (measured in various ways) tends to grow with the economy as represented by Gross National Product, national income, or the money supply. Among these studies are:

an article on "Relationships Between Debt and GNP" by Paul W. McCracken, in the *Michigan Business Review* (November 1956, pp. 12-13) and one on "The Growth of Debt and Money in the United States, 1800-1950: A Suggested Interpretation" by John G. Gurley and E. S. Shaw, in the *Review of Economics and Statistics* (August 1957, pp. 250-262). An unpublished paper on Debt and the Money Supply by P. S. Anderson of the Boston Federal Reserve Bank may also be noted.

McCracken Paper

McCracken shows that the ratio of *net debt* to GNP for years of reasonably good business conditions between 1916 to 1955 has been fairly stable, ranging between 1.7 and 1.9. The figures on *net debt* exclude securities held by corporate subsidiaries, government trust funds, and government agencies. The following table appears in his paper:

Gross national product and total net debt

[In billions]

Year (1)	GNP (2)	Debt (3)	Debt
			GNP (4)
1916.....	\$49	\$32	1.67
1925.....	91	163	1.79
1929.....	104	191	1.84
1940.....	101	190	1.88
1945.....	214	406	1.90
1950.....	285	491	1.72
1955.....	387	658	1.70

Source: Col. 2—U.S. Department of Commerce, except 1916 and 1925 from Paul W. McCracken, "Cyclical Implications of War-time Liquid Asset Accumulations," (Harvard, Doctoral Thesis, 1948); Col. 3—U.S. Department of Commerce.

McCracken also shows that the annual increase in debt in the postwar period has averaged about nine per cent of GNP. The study concludes that by 1965, when GNP should reach about \$565 billion, total public and private debt may be expected to be about \$430 billion higher than in 1955. In other words, total net debt will rise from \$655 in 1955 to something over \$1,000 billion. It is worth noting that the net debt increase during 1956 (\$28 billion) is consistent with McCracken's projection.

The rationale behind this projection is as follows: Taken all together, households, businesses, and governments in this country tend to spend about nine-tenths of their receipts. Some spend more and some spend less (business usually spends more, households usually spend less, and governments sometimes spend more and sometimes spend less), but for the economy as a whole, about one-tenth of national income is not spent by those who receive it.

Debt is the vehicle that puts the surplus income into the hands of spenders. Savings for the most part flow into savings banks and other financial institutions and are then invested in the debt of spending units. In this way savings add to the demand for goods and services produced by the economy. *The growth of debt is therefore the normal corollary of saving and growth.*

McCracken also explores the potential sources of new debt—who will be the debtors. He shows how this new debt would be distributed if it should be held proportionately by the private economy, the federal government, and state and local governments. He also shows what the distribution might be like if the federal government held its debt stable and let the private sector and state and local governments carry the burden. In the former illustration he shows an increase of about 50% in private and about 50% in public debts. In the latter illustration he shows private debt increasing by about 90% and public debt remaining about the same.

The McCracken paper, focusing on (1) the needed increase in total debt to sustain economic growth and (2) the way the burden of the additional debt may be distributed, raises questions about the feasibility of holding public debt in a growing economy.

Gurley-Shaw Study.

The Gurley-Shaw study uses data from a different source and reaches similar conclusions about the relation between debt and Gross National Product. With data from Raymond W. Goldsmith's study of savings for the National Bureau of Economic Research, the Gurley-Shaw study focuses attention on all primary securities—corporate stocks as well as the various forms of debt—for the period 1900–1949. As the following table shows, most of the time the ratio of primary securities to GNP has been between 1.9 and 2.0—the periods around World War I and the Great Depression are the exception.

TABLE 4.—Cumulated Primary Security Issues and GNP, by Subperiods¹ 1900–49

[Annual averages; in billion of dollars; ratios]

Period	Cumulated Primary Issues	GNP	Ratio of Securities to GNP
1900-04.....	42.3	20.9	2.02
1905-08.....	53.1	27.5	1.93
1909-11.....	62.7	32.7	1.92
1912-14.....	72.4	36.4	1.99
1915-21.....	114.8	68.4	1.68
1922-24.....	155.3	81.4	1.91
1925-27.....	181.8	94.2	1.93
1928-32.....	212.4	85.4	2.49
1933-38.....	216.7	75.4	2.88
1939-46.....	337.7	162.9	2.07
1947-49.....	499.5	249.0	2.01

¹ Primary securities include all government securities, corporate stocks and bonds, mortgages, consumer debt, other short-term loans of financial intermediaries, and a small amount of other debt. The initial total of primary securities for 1900 is from Raymond W. Goldsmith, *The Share of Financial Intermediaries in National Wealth and National Assets, 1800-1949* (National Bureau of Economic Research, 1954). Occasional Paper 42, pp. 79, 117. The net issues of primary securities were computed by us for a larger work now in preparation at the Brookings Institution. The basic source, however, is Goldsmith's *A Study of Saving in the United States*.

The study also presents some fragmentary data for the 19th century. This shows the debt-national income ratio rising rapidly from 1800 to about 1880; thereafter the ratio tends to level off except in periods of boom and depression. (The paper shows, for example, that the debt-national income ratios for 1880, 1890, and 1900 are about the same as for 1945, 1949, and 1952.)

The phenomenon of a rising ratio of debt to income followed by a more or less stable ratio is explained as follows: In the early stages of a nation's economic growth income is too low to permit saving and debt accumulation, but as income grows savings appear and debt begins to grow. In the earliest years when total debt is low, the rate of growth of debt is high—and the ratio of debt to income rises. The rise in the debt-income ratio continues until the total debt is so large that the rate of debt growth is similar to the rate of income growth. For this country, this means that debt had to grow faster than income until about 1880—thereafter both have tended to grow at about the same rate, which has kept the debt-income ratio fairly constant. The important deviation from the stable debt-income ratio occurred during the 1930's when income shrank drastically and debt obligations did not shrink proportionately. This episode showed that income can still drop fast and far but that total debt declines slowly.

Anderson Study

The study by P. S. Anderson uses the net debt data of the Department of Commerce and reaches about the same conclusion. He notes that the stability of the ratio between Debt and GNP has occurred irrespective of the division of total debt between federal debt and all other debts. He also notes that the ratio of equity securities to debt securities has tended to remain about constant for most of the period 1916–55.

The Yearly Data 1916-1956

The data shown in Table I and Chart II bear out the conclusions of these studies. Table I gives total public and private debt (excluding only corporate debt owed to parent or subsidiary corporations). The basic source is the Department of Commerce and, for some pre-1929 data, Raymond W. Goldsmith, *A Study of Savings in the United States*.

The average annual ratios of debt to GNP for the period 1916-1956 are as follows:

Total Public and Private Debt.....	2.00
Total Private Debt.....	1.28
Total Public Debt.....	0.72
Federal.....	0.57
State and Local.....	0.15

For the 40 year period total debt has tended to be about twice the level of GNP and public debt has tended to account for about one-third and private debt for about two-thirds of the total.

If the depression period (1930-39) is excluded, the average ratios are lower—as shown below—and as shown in Chart II they are more stable:

	1916-1929 Prosperity and World War	1940-56 Prosperity and World War	1930-1939 Depression
Total Public and Private Debt.....	1.76	1.90	2.49
Total Private Debt.....	1.41	0.88	1.77
Total Public Debt.....	0.35	1.02	0.73
Federal.....	0.22	0.91	0.47
State and Local.....	0.13	0.10	0.26

Chart I, which is based on the data in Table I, shows on a ratio scale that the rate of change in GNP and total debt have been similar over the past 40 years. The primary divergences come in periods of declining income, when income falls more rapidly than total debt. The downward rigidity of debt arises from the fact that most debt obligations run for longer than a year or two: and also some new borrowing occurs even in the deepest depression. This downward rigidity of debt is what makes it potentially dangerous for borrowers—a shrinkage in income can seldom be matched by a shrinkage in debt obligations. And the more that the burden of debt is concentrated on a single sector of the economy, the more vulnerable that sector may be to any shrinkage in income.

Historically, the long-run burden of debt has been shared by government and the private economy. At various times private borrowers have curtailed their rate of borrowing and at times government has curtailed its borrowing—and most of the time when this has happened the one has compensated for the other. It is worth noting, however, that concentration of borrowing in one sector or another imposes some strain on the borrowing sector—a strain that may lead it to curtail its borrowing. The failure of both public and private sectors to borrow savings would lead to a decline in income and employment.

Limitations on Public Debt

The practice of limiting federal, state or local debt is not new. Legal limitations have been used for many years for various purposes: (a) to impose an absolute limit on debt, (b) to insure greater solvency, (c) to curb expenditures, (d) to require legislative bodies to face the fiscal problems imposed by additional expenditures, and (e) to impose on those bodies the necessity to provide additional tax revenues for additional expenditures. These purposes are often attained at least in part by legal debt limits.

But debt limits have other effects as well. Effective limitations on federal expenditures or state and local expenditures do not necessarily limit debt in the

economy. During a period of economic growth such limitations force debt into other channels. Thus the recent limitations on federal debt have been accompanied (a) by growing debt of federal agencies not restricted by the debt limit, (b) by a rapid expansion of state and local government debt, and (c) by a rapid growth of private debt.

The ratio of federal debt to GNP is still higher than it ever was before World War II, but it has been falling since 1945. The ratio of state and local debt to GNP is below the levels of the 1920's and rising. The ratio of private debt to GNP is considerably lower than it was before the Depression of the 1930's. It has been rising since the low point in 1945.

Debt limits on public debt in a growing economy are likely to have several effects. They force a curtailment of public services that may restrict growth, or they induce the provision of those services in some other way. In consequence they induce increased financing through debt by other governmental units or by private enterprise. Over-all debt fails to grow only in the absence of growth in GNP. The only period of this stability in this century is that of the 1930's when GNP was depressed below the long-run trend.

Table I. Gross National Product, Public Debt, and Private Debt, 1900, 1916-1956
(in billions of dollars)

Year	Gross National Product	Total		Public Debt		State & Local		Total Private Debt	
		Total	Debt	Total	Federal	Total	Local		
1900	18.6	34.3	1.84	3.2	.17	1.2	.06	31.1	1.67
1916	48.9	83.6	1.71	7.1	.15	1.2	.02	76.5	1.56
	64.5	96.1	1.49	13.7	.21	7.4	.11	82.4	1.28
	77.2	119.9	1.55	28.4	.37	21.6	.28	91.5	1.19
	85.3	130.3	1.53	33.1	.39	26.1	.31	97.2	1.14
1920	91.3	138.0	1.51	32.2	.35	24.1	.26	105.8	1.16
	72.5	139.1	1.92	32.9	.45	23.8	.33	106.2	1.46
	72.8	143.4	1.97	33.9	.47	23.6	.32	109.5	1.50
	85.5	150.3	1.76	34.0	.40	22.8	.27	116.3	1.36
1925	85.9	157.2	1.83	34.2	.40	22.0	.26	123.0	1.43
	90.3	166.2	1.84	33.9	.38	21.0	.23	132.3	1.47
	96.9	172.8	1.78	33.9	.35	20.2	.21	138.9	1.43
	95.4	181.6	1.90	34.0	.36	19.2	.20	147.6	1.55
	97.2	190.3	1.96	34.2	.35	18.5	.19	156.1	1.61
	104.4	195.9	1.88	34.7	.33	17.5	.17	161.2	1.54
1930	91.1	196.2	2.15	35.8	.39	17.3	.19	160.4	1.76
	76.3	186.5	2.44	38.6	.51	19.1	.25	147.9	1.94
	58.5	179.1	3.06	42.4	.72	22.8	.39	136.7	2.34

56.0	175.0	3.12	47.5	.85	27.7	.49	19.8	.35	127.5	2.28
65.0	182.2	2.80	57.1	.88	37.9	.58	19.2	.30	125.1	1.92
72.5	185.2	2.55	61.0	.84	41.7	.58	19.3	.27	124.2	1.71
82.7	191.1	2.31	64.7	.78	45.1	.55	19.6	.24	126.4	1.53
90.8	194.1	2.14	67.4	.74	47.8	.53	19.6	.22	126.7	1.40
85.2	190.1	2.23	67.0	.79	47.4	.56	19.6	.23	123.1	1.44
91.1	194.4	2.13	70.1	.77	50.1	.55	20.0	.22	124.3	1.36
100.6	202.4	2.01	73.8	.73	53.6	.53	20.2	.20	128.6	1.28
125.8	228.2	1.81	89.2	.71	69.0	.55	20.2	.16	139.0	1.10
159.1	284.4	1.79	142.9	.90	123.2	.77	19.7	.12	141.5	.89
192.5	349.7	1.82	205.4	1.07	186.7	.97	18.7	.10	144.3	.75
211.4	416.0	1.97	271.2	1.28	253.7	1.20	17.5	.08	144.8	.68
213.6	449.1	2.10	309.2	1.45	292.6	1.37	16.6	.08	139.9	.65
209.2	442.1	2.11	288.0	1.38	272.1	1.30	15.9	.08	154.1	.74
232.2	466.3	2.01	286.6	1.23	269.8	1.16	16.8	.07	179.7	.77
257.3	477.6	1.86	276.7	1.08	258.0	1.00	18.7	.07	200.9	.78
257.3	498.7	1.94	287.0	1.12	266.1	1.03	20.9	.08	211.7	.82
285.1	541.5	1.90	290.6	1.02	266.4	.93	24.2	.08	250.9	.88
328.2	579.4	1.77	297.2	.91	270.2	.82	27.0	.08	282.2	.86
345.4	615.4	1.78	308.9	.89	279.3	.81	29.6	.09	306.5	.89
363.2	651.6	1.79	322.0	.89	289.3	.80	32.7	.09	329.6	.91
361.2	674.9	1.87	332.3	.92	294.4	.82	37.9	.10	342.6	.95
391.7	730.9	1.87	345.0	.88	301.8	.77	43.2	.11	385.9	.99
414.7	764.2	1.84	348.5	.84	300.5	.72	48.0	.12	415.7	1.00

935

940

945

950

955

956

CHART I

Public Debt, Private Debt, and Gross National Product, 1900, 1916-56

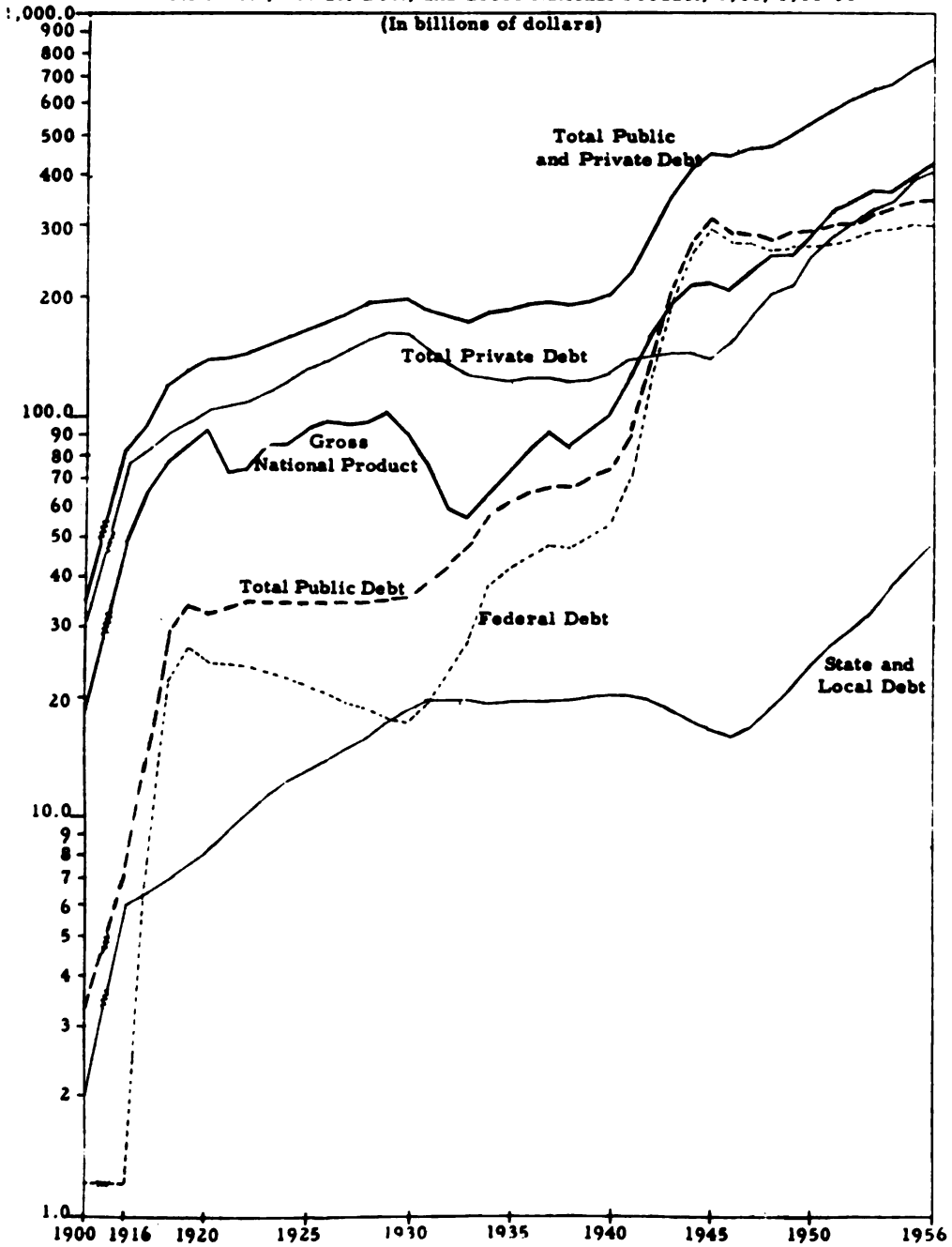


CHART II
Ratios of Public and Private Debt to Gross National Product (1900, 1916-56)

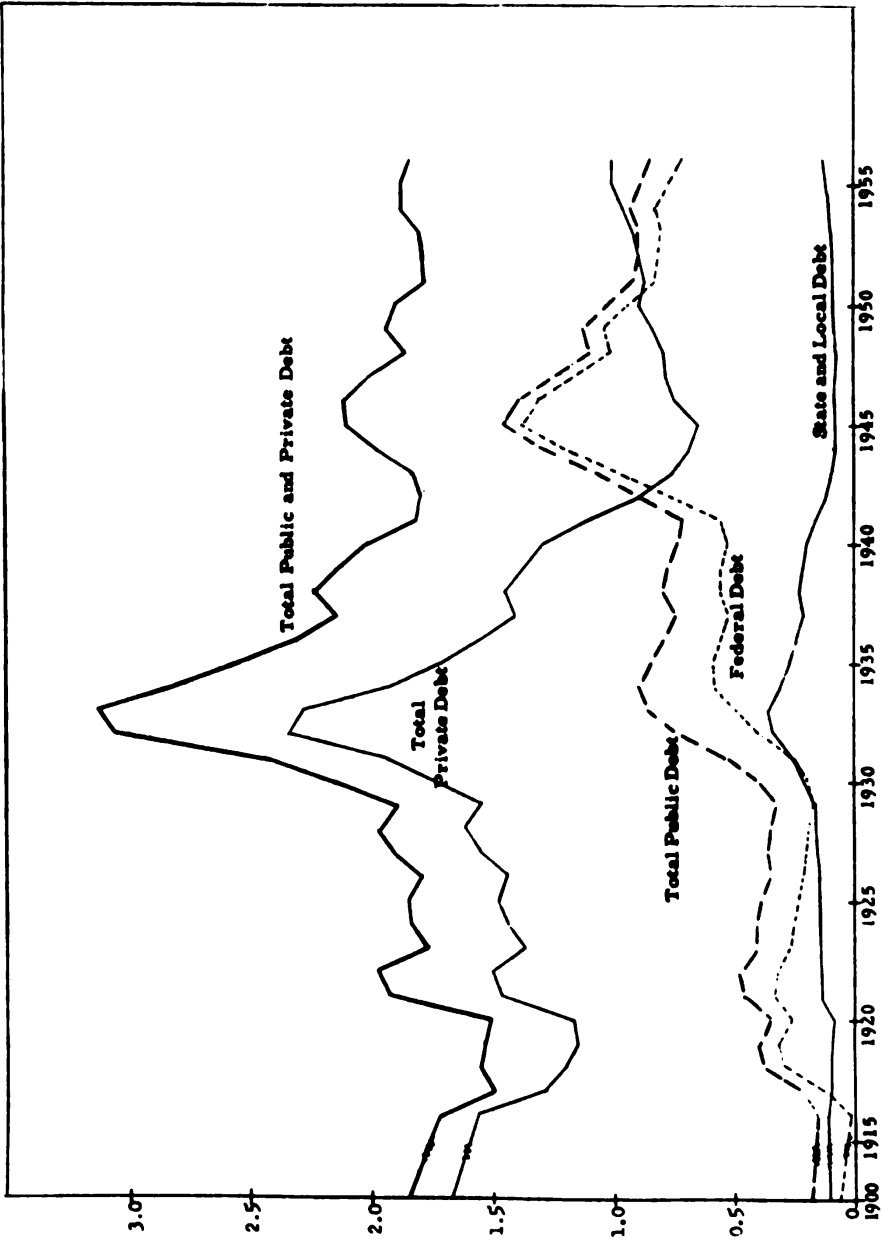


EXHIBIT IV

BIOGRAPHIES

ROBERT ABERCROMBIE LOVETT

Business: Banking, Partner, Brown Brothers, Harriman & Co., 59 Wall Street, New York 5, N.Y.; Transportation, Chairman, Executive Committee, Union Pacific Railroad Company and Leased Lines, 120 Broadway, New York 5, N.Y.

Residence: Locust Valley, Long Island, N.Y.

Birth: Huntsville, Texas, September 14, 1895, the son of Robert Scott and Lavinia Chilton (Abercrombie) Lovett.

Family: Married Adele Quartley Brown, April 19, 1919. Children: Evelyn (Mrs. David Springer Brown), Robert Scott 2nd.

Education: Hill School, Pottstown, Pa., 1909-1914; Yale University, 1914-1917 (entered service First World War 3/24/17), B. A. 1918; Harvard Law School, 1919-1920; Harvard Graduate School, course in Business Administration, 1920-1921.

Honorary degrees: LL. D. from Amherst, Brown University, Columbia University, Harvard, Princeton, The Sam Houston State Teachers College (Huntsville, Texas), Williams College, and Yale University (1952, M.A. 1942).

Business career: Began as clerk, National Bank of Commerce, New York City, 1921-1923; entered Brown Brothers Harriman & Co. as clerk, 1923; became Partner, Brown Brothers Harriman & Co. 1926—resigned 12/16/40; readmitted as Partner, Brown Brothers Harriman & Co. 6/1/46—resigned 5/15/47; readmitted as Partner, Brown Brothers Harriman & Co. 4/1/49—resigned Oct. 1950; readmitted as Partner, Brown Brothers Harriman & Co. Mar. 1953—to date; Chairman, Executive Committee, Union Pacific Railroad Company, 5/28/53 to date.

War record: World War I—served as Pilot U.S. Naval Air Service, advancing to rank of Lieutenant Commander, U.S.N.R.—1917-1919. World War II—served as Special Assistant to Secretary of War and as Assistant Secretary of War for Air in charge of Army Air Program—1940-1945.

Government service: Under Secretary of State, July 1947 to January 1949; the Deputy Secretary of Defense, October 1950 to September 1951; the Secretary of Defense, September 1951 to January 1953.

Director of: Columbia Broadcasting System, Inc., Freeport Sulphur Company, New York Life Insurance Company, North American Aviation, Inc., Royal-Globe Insurance Group (member N.Y. Investment Committee), Union Pacific Railroad Company and Leased Lines.

Non-business affiliations: Trustee—Carnegie Foundation for the Advancement of Teaching, Carnegie Institution of Washington, The Rockefeller Foundation, Member Executive Committee and Chairman of Finance Committee; Special Term Member—Corporation of Massachusetts Institute of Technology.

Decorations and awards: 1919—Navy Cross; 1945—Distinguished Service Medal.

ROBERT CHAPMAN SPRAGUE

Born New York City, Aug. 3, 1900. Son of Frank Julian and Harriet Chapman (Jones) Sprague; attended Hotchkiss School Class of 1918; graduate U.S. Naval Academy 1920 (Class 1921-A), and graduate U.S. Naval Post-Graduate School (B.S.) 1922; post-graduate Massachusetts Institute of Technology 1924 (M.S.) married Florence Antoinette van Zelm May 24, 1921; children Robert C. Jr. and John Louis; grandchildren Robert Chapman III, Diana Bartlett Sprague, John Louis Sprague, Jr. and William Whitney Sprague.

Continued his naval career as a Naval Architect and later was a member of the staff which superintended the design and construction of the Aircraft Carrier U.S.S. *Lexington*. Resigned from the Navy 1928.

Founded Sprague Specialties Company (now Sprague Electric Company) in Quincy, Mass. in 1926. Was its President from 1926 to January 1953. On January 12, 1953 resigned as President to accept the assignment of Under Secre-

tary of the Air Force. After four weeks in Washington, appointment did not materialize because of his unwillingness to sell his substantial stock interest in the Sprague Electric Company which, although not required by law, the Administration felt necessary in view of the action of the Senate Committee on Armed Services on the appointments of Mr. Charles E. Wilson, Mr. Robert Kyes and two of the Service secretaries, who also had substantial stock interests. On March 24, 1953 rejoined the Company as Chairman of the Board of Directors; also elected Treasurer of the Sprague Electric Company March 23, 1954. Presently Chairman of the Board and Treasurer of the Sprague Electric Company. In addition:

Chairman of the Board.....	* Sprague of Wisconsin, Inc.
Chairman and Agent.....	Federal Reserve Bank of Boston.
Director.....	* Sprague Products Company, North Adams, Mass.
Director.....	United-Carr Fastener Corporation, Cambridge, Mass.

* Wholly-owned subsidiaries of Sprague Electric Company, North Adams, Mass.

Chairman OPA Industry Advisory Committee for Electronic Components and Parts, 1944-45.

Member of the Executive Committee of the Massachusetts Committee on Post-War Reconversion, 1942-45.

Member Munitions Board Electronics Equipment Industry Advisory Committee, 1950-53.

President—Radio Electronics Television Manufacturers Association, 1950-51. (now Electronic Industries Association)

Chairman of the Board—Radio Electronics Television Manufacturers Association, 1950-52 and 1953-54. (now Electronic Industries Association)

President—Associated Industries of Massachusetts 1951-53.

Made study of our Continental Defenses for Senate Armed Services Committee. 1953-54.

Consultant on Continental Defense to the National Security Council—appointment by President Eisenhower in May 1954.

Consultant to Technological Capabilities Panel of the Science Advisory Committee to the Office of Defense Mobilization. (*Killian Committee*).

Consultant to Department of Defense.

Director—Security Resources Panel (*Gaither Committee*) of the Science Advisory Committee of the Office of Defense Mobilization.

Life Member of Corporation—Massachusetts Institute of Technology.

Member of Corporation—Northeastern University.

Trustee—Mount Holyoke College.

Chairman of the Board—Pine Cobble School, Williamstown, Mass.

Senior Warden—St. John's Episcopal Church, Williamstown, Mass.

Fellow—American Institute of Electrical Engineers.

Member—(Senior Grade)—Institute of Radio Engineers.

Honors:

Degree—Doctor of Engineering, Northeastern University, June 1953.

Degree—Doctor of Science—Williams College, June 1954.

Degree—Doctor of Laws—Tufts University, June 1959.

Degree—Doctor of Science—Lowell Technological Institute, June 1959.

"Outstanding Service" Award—North Adams Chamber of Commerce, June 1953.

Medal of Honor Award—Radio-Electronics-Television Manufacturers Association, June 1954. (now Electronic-Industries Association)

"Distinguished Citizenship" Award—Bates College—June 1958.

"Man of the Year" Award—Hotchkiss Alum. Association, April 1958.

"Distinguished Citizenship" Award—Eagles, June 1959.

Member—Algonquin Club, Boston; Chemists' Club, New York; Engineers Club, New York; Union Club, Boston.

JAMES P. BAXTER, 3D

President of Williams College, Williamstown, Massachusetts, since 1937. Born Portland, Maine, February 15, 1893. A. B. Williams College, 1914; Ph.D. Harvard, 1926. Taught American Diplomatic History at Harvard, 1925-37, rising through the grades to Professor. Director of research and analysis for the Coordinator of Information, Washington, D.C., August 1941-June 1942; deputy director, Office of Strategic Services, June 1942-February 1943; Historian, Office of Scientific Research and Development, 1943-46. Presidential Certificate of Merit. President, Association of American Colleges, 1945, 1st vice-chairman, American Council on Education, 1954-55. Term Trustee, Massachusetts Institute of Technology, 1956-61; Trustee, World Peace Foundation; member of the Board of Visitors, U.S. Naval Academy for seven years, and chairman for three; Chairman, Board of Visitors, U.S. Military Academy, 1954-58; Lecturer at the Naval War College, National War College, Army War College, Air War College, U.S.M.C. War College, and the Industrial College of the Armed Forces. Chairman of the Advisory Committee on the Army History of World War II, 1943-1955; chairman of the Advisory Committee on the History of the Atomic Energy Commission, 1958-; member of the Advisory Committee on the History of the U.S. Navy. Member, Security Resources Panel (*Gaiher Committee*) of the Science Advisory Committee of the Office of Defense Mobilization. Author: *The Introduction of the Ironclad Warship*, 1933; *Scientists Against Time*, 1946. Winner 1947 Pulitzer prize in History.

THOMAS J. WATSON, JR.

Mr. Thomas J. Watson, Jr. was born in Dayton, Ohio on January 8, 1914, and received his education at Brown University, from which he received his B.A. degree in 1937. He joined the International Business Machines Corporation in October, 1937. Mr. Watson had five years service as a bomber pilot in the United States Army Air Force. After completion of his military service, he returned to duties with the International Business Machines Corporation. In January 1952, Mr. Watson was elected President of the IBM Corporation. In May 1956, he was elected chief executive officer. Among Mr. Watson's affiliations are the following:

Director: Bankers Trust Company (N.Y.), Time, Inc. Member of the Corporation: Brown University, Massachusetts Institute of Technology. Public Governor: New York Stock Exchange. Member of the Board of Managers: Memorial Center for Cancer and Allied Diseases. Vice President: National Executive Board, Boy Scouts of America. Trustee: Air Force Aid Society, Eisenhower Exchange Fellowships, Inc., Thomas Alva Edison Foundation, American Museum of Natural History.

Mr. Watson is married, has six children, and makes his home in Greenwich, Connecticut.

×

UNITED STATES DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF ENGINEERS
WASHINGTON, D. C.

TECHNICAL MANUAL
NO. 11-1
CONSTRUCTION OF
MANNING COUNTY, MISSISSIPPI

COMMITTEE ON
CONSTRUCTION OF
UNITED STATES ARMY

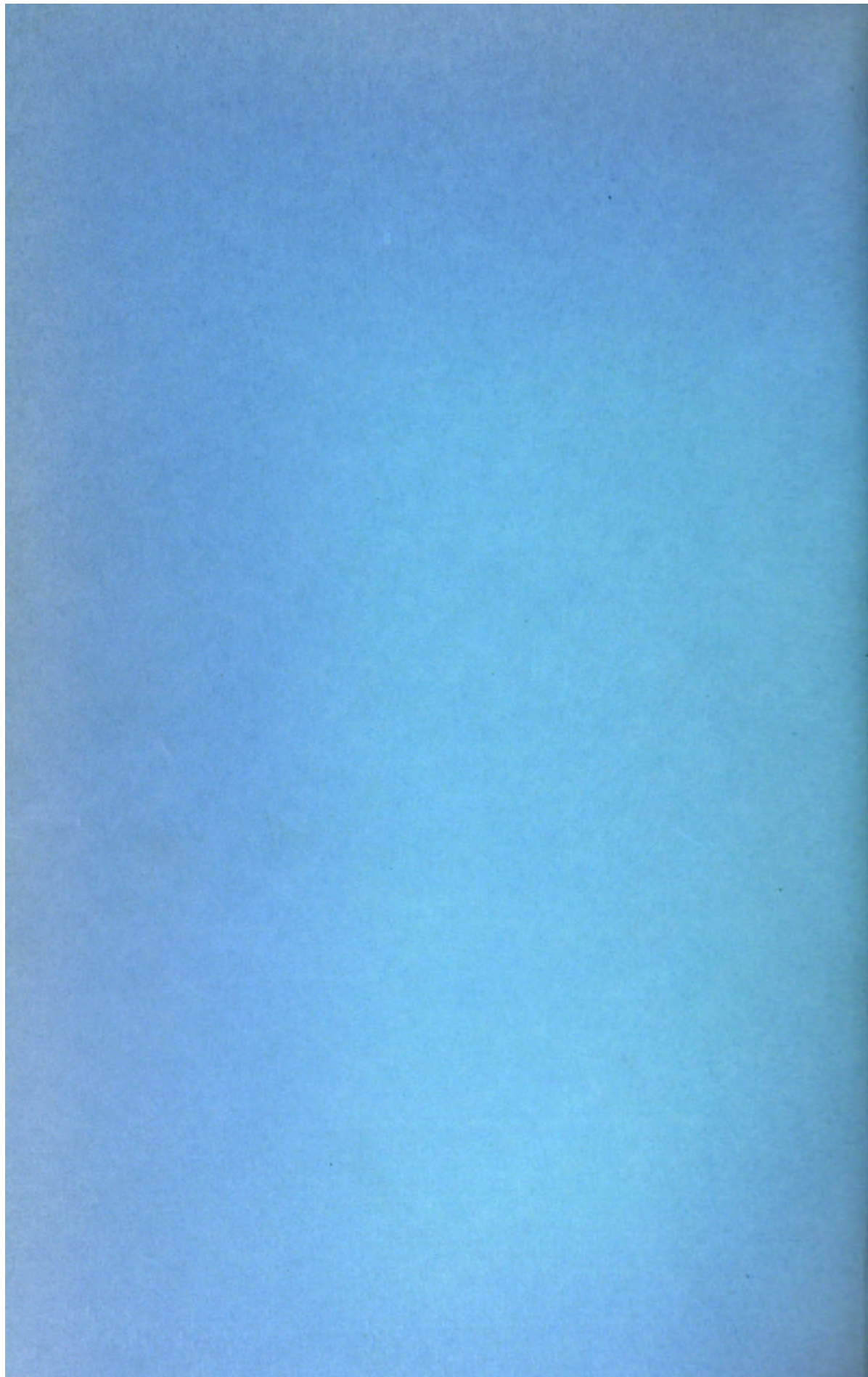
RECOMMENDATIONS
FOR THE CONSTRUCTION OF

CONSTRUCTION OF
UNITED STATES ARMY

RECOMMENDATIONS
FOR THE CONSTRUCTION OF

RECOMMENDATIONS
FOR THE CONSTRUCTION OF

RECOMMENDATIONS
FOR THE CONSTRUCTION OF



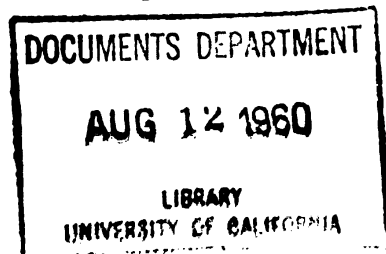
✓
U.S. Congress Senate
ORGANIZING FOR NATIONAL SECURITY
SCIENCE, TECHNOLOGY, AND THE POLICY PROCESS

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS
SECOND SESSION

APRIL 25, 26, AND 27, 1960

PART II

Printed for the use of the Committee on Government Operations



COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, Jr., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

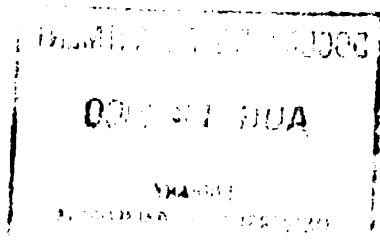
DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

HOWARD E. HAUGERUD, *Professional Staff Member*

EDMUND E. PENDLETON, Jr., *Minority Counsel*

II



CONTENTS

APRIL 25, 1960

	Page
Opening statement, Senator Henry M. Jackson.....	237
Testimony of James A. Perkins.....	239
Executive session testimony of Dr. Perkins.....	288

APRIL 26, 1960

Opening statement, Senator Henry M. Jackson.....	303
Testimony of James B. Fisk.....	304
Testimony of William H. Pickering.....	324
Testimony of Ruben F. Mettler.....	346

APRIL 27, 1960

Opening statement, Senator Henry M. Jackson.....	365
Testimony of Eugene P. Wigner.....	366
Testimony of Edward M. Purcell.....	384
Testimony of Herbert F. York.....	395

SCIENCE, TECHNOLOGY, AND THE POLICY PROCESS

MONDAY, APRIL 25, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senator Jackson.

Also present: Senators Robertson, Stennis, and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

This morning, our subcommittee is starting 3 days of public hearings on the subject of how our Government can best gear science and technology into foreign and defense policymaking.

Science and technology are exercising a new and decisive influence on national power, prestige, and policy. The statesman, the soldier, and the scientist must work together as never before. The question now before the subcommittee is this: What is the right way to organize our Government to get the right scientific and technical programs at the right time?

The subcommittee's search for answers to this question represents one part of its broader task. That broader task is to determine whether our Government is now properly organized to meet successfully the challenge of the cold war. The fundamental problem is: How can a free society organize to outthink, outplan, and outperform totalitarianism—and achieve security in freedom?

At our first set of public hearings, held earlier this session, four eminent Americans—Mr. Robert A. Lovett, Mr. Robert C. Sprague, Dr. James Phinney Baxter, and Mr. Thomas J. Watson, Jr.—gave the subcommittee their estimate of the broad challenge confronting our Nation in the competition with world communism.

And now, this week, seven distinguished authorities on the relation of science and technology to national security planning have generously consented to give the subcommittee the benefit of their counsel on how our Government can do better in this area.

Between now and the adjournment of the Congress, the subcommittee will hold additional sets of hearings which will focus upon specific problem areas in existing government organization for national security, and which will aim at concrete improvements.

Among the key questions which will be explored by the subcommittee are these:

What can we do to help the statesman and the soldier work together for common goals? Here I have in mind the danger of the State and Defense Departments making plans with the left hand not knowing what the right hand is doing.

What can our Government do to develop a truly integrated national strategy for the long pull? Here I have in mind the question of how the National Security Council and its subordinate bodies can develop policies representing more than least-common-denominator compromises between the departments represented upon it.

How can the budgetary process be made a better management tool for clarifying, illuminating, and speeding the development of needed programs? Here I have in mind the widespread feeling that many important programs are stillborn or unnecessarily slowed because of the money agencies.

What can our Government do to recruit and retain outstanding senior officials for national security posts? Here I have in mind the chronic difficulties of the Defense Department and other agencies of finding qualified men—and, even more important, holding them long enough to master their jobs.

Our subcommittee has agreed with the President that testimony—

by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session.

We have notified our witnesses accordingly.

In view of the fact that today's witness served on the Gaither Committee, I should also like to remind the members that President Eisenhower, in a letter to Senator Johnson of January 22, 1958, invoked the claim of "Executive privilege" in withholding the Gaither report from the Congress.

This fact, of course, does not prevent our witness from giving testimony concerning his personal views about national security problems and issues.

We are deeply privileged to have with us today Dr. James A. Perkins, vice president of the Carnegie Corporation, and vice president of the Carnegie Foundation for the Advancement of Teaching. In these posts, he has played an important role in promoting more effective research and teaching in the natural and social sciences.

Dr. Perkins speaks to us with an impressive background of experience in the relation of science and technology to national security. He was formerly Deputy Chairman and is now a consultant to the Research and Development Board of the Department of Defense. He is a trustee of the Institute for Defense Analyses and Chairman of the Study Group on Strategy and Foreign Policy of the Council on Foreign Relations.

As I have indicated, he also served as a member of the Gaither Committee, appointed by President Eisenhower in 1957 to survey national security problems.

Dr. Perkins, will you now proceed with your testimony?

**STATEMENT BY DR. JAMES A. PERKINS, VICE PRESIDENT OF THE
CARNEGIE CORPORATION**

Dr. PERKINS. Thank you very much, Senator Jackson. I am honored to be here. I hope what I have to say will be of some use to this distinguished committee, dealing with one of the central issues of this century.

Let me proceed immediately to my prepared statement, and then, as I understand it, you will ask me a variety of questions.

Science and technology are the real revolutionaries of our time. Together they have helped to spawn the industrial revolution that is the hallmark of the modern state—a revolution still in progress. Together they have also helped to revolutionize military weapons and military policy. And both the industrial revolution and current military requirements have, in turn, placed increasing pressure on science and technology for even further invention and engineering capability.

The response has only served to produce still further requirements. We live today in the midst of this accelerating cycle and it is wise and proper that this committee give the most serious attention to its impact on our national security policies.

It should be stated at the outset that we are dealing with problems of enormous importance and complexity. There are no simple formulas for their solution. We are concerned here with nothing less than our organized response to the most central problems of our century.

Let us now turn to the specific features of this technological revolution and to the problems it has created for national security planning. The central fact is that scientific invention has largely conquered the three historical barriers to the application of force—namely, barriers of power, distance, and time.

Decades of quiet research in a dozen different countries slowly and methodically put together the puzzle of the atom. This knowledge has been engineered to produce a weapon no larger than a compact car that can obliterate a city in one blow. And even greater power is in immediate prospect. We are almost at the point perhaps where our conquest of power raises some real questions as to what to do with it. In any even, power is certainly no limiting factor in weaponry or strategy.

On another scientific front, scientific research of recent decades into the nature of heat, electricity, and aerodynamics has provided the scientific capability that has conquered the factors of time and distance through the jetplane and the intercontinental ballistic missile. And who knows what capabilities will develop out of the orbiting satellite combined with even more powerful fusion weapons?

But it is clear that these systems that can deliver almost infinite power anywhere in the world in a relatively few minutes have finally mastered the traditional barriers of power, time, and space.

We shall see in a minute how this series of conquests has profoundly altered the very nature of our national security programs and our established systems for devising these programs.

But before we deal with this issue, we must register several other conditional factors that are prime determinates of the management and shaping of national security policy.

The conquests of power, distance, and time have not been purchased without a price. The complexity of weapons, their early obsolescence as new invention piles on new invention, the geometric increase in cost, the multiplication of systems as new technology opens doors to new capabilities—all these interlocking developments have required a major realinement of public expenditures. As research ideas grow to prototypes, to production orders, to established weapon systems—costs rapidly increase from thousands to billions of dollars. And, by definition, a program that will cost a billion dollars involves, I trust, a high-level policy decision. Thus, the process itself has forced research projections up to the level of high administrative concern.

The two derivative consequences of this cycle have been the injection of scientific considerations into our basic plans for national security. The other derivative has been the importance of the scientist and his output to the future growth and security of our country.

Let us summarize the points already made before we proceed further. Science and technology have, through research and engineering invention, produced weapons that can place almost unlimited destruction anywhere in the world within minutes of time. These weapons and the military requirements they have produced are responsible, on the one hand, for the profound instabilities in our relations with the U.S.S.R. and the rest of the world and, on the other hand, for profound instabilities in our domestic economic and political arrangements and allocations of resources.

Our response to both types of instabilities has been to return to our scientists for assistance that will produce stability. And, finally, we have found it necessary to plan our future by anticipating likely problems and making sure the connected pieces of the puzzle, both foreign and domestic, will fall in place at the right time and with the right effect.

And now to our most central question—has our planning for national security programs kept pace with the driving factors just described? Since Americans are never satisfied with the adequacy of their social arrangements, it will presumably not be out of order to suggest some directions which might lead to improvement.

I obviously cannot do more than suggest, in this prepared statement, at least, three or four specific areas of personal concern. I will leave any reference to the National Security Council until an executive session at the end of my testimony.

One. The global sweep of modern weapons makes it clear that foreign policy and military policy are inextricably linked. And yet, there are few indications, indeed, that this fact has influenced either the organization or the procedures of the Department of State. There is no high official in the Department who has these considerations as his specific responsibility. There is no counterpart to an Assistant Secretary of Defense for International Security Affairs.

There is not, as far as I know, any regular briefing of the top officials of the Department on the military component of our foreign policy. Junior officers do not attend military staff colleges in any significant numbers. If the military component is a decisive ingredient, there are few visible indications that the State Department has yet taken appropriate steps to develop the necessary internal expertise.

It is not an adequate reply to say that this marriage takes place at the National Security Council. Coordination at the top of two hierarchies will never produce real fusion of policy without adequate preparation for that fusion from the first steps in the process of policy formation.

Or, to put it another way, State policies that take little account of military considerations until they reach the top may suffer from unrealism. Clearly, the same organizational attention should be given to military considerations as is given to economic factors. The latter were introduced into the Department several decades ago and are now dignified with an Undersecretary for Economic Affairs.

My question is this: Does the military component deserve much less-significant treatment?

This is no academic point because there is abundant evidence that the absence of this expertise has in the past presented some acute practical difficulties. The doctrine of massive retaliation as an automatic reply to any Russian aggression seemed to ignore completely the existence and implications of a Russian strike capability. Early statements about our interest in southern Korea might have been differently phrased with a better understanding of the military importance of southern Korea to the defense of Formosa and Japan. The case for greater organizational attention to military considerations within the Department of State is, in my personal judgment, fairly conclusive—both in principle and based on actual experience.

Several recommendations on this front worth considering might be:

(1) Regular scheduled military briefings for all officers of the Department of State, from department chief on up. I know there are briefings, but I am arguing for a wider range, and with higher officers to be included.

(2) The appointment of a civilian officer for military affairs at the level of Assistant Secretary.

(3) At least two dozen middle-grade officers a year should be assigned to the National War College for their regular program of courses and instruction.

(4) Consideration might be given to developing the appropriate relations with a semiprivate research organization like RAND to secure appropriate assistance in the analysis of the military and strategic considerations involved in various foreign policies.

(5) As a general objective, the Department of State should have the same level of expertise in military affairs as does the Defense Department in political and international affairs. I trust during the questioning you will draw me out further on that particular point, Senator.

Now, my second big point is this: Just as modern weapons require military knowledge in the State Department, modern weapons and derived modern strategy have made largely obsolete existing organization in the Pentagon. If anything is clear, it is that modern warfare does not divide itself up into problems of land, sea, and air. Weapons have made the globe one large integrated battlefield and strategy, tactics, and the organization to support these must recognize this fact.

Functional tasks now divide along lines of strategic deterrence, limited warfare, continental military defense, civil defense, and military

assistance to allies in support of the above. The hard, unvarnished truth is that it has been impossible to assign tasks on a functional basis along existing service lines.

We have really known this but tradition, requirements of service morale, and plain inertia have kept us from making the necessary hard decisions to really unify the separate services and to create an organization in accordance with the tasks to be performed. Not willing to do so, we have tried to solve the problem by leaving the services intact and by loading additional paper authority on the Office of the Secretary of Defense. It has come as a surprise to no one that the rationalizing of land, sea, and air services with modern functions of strategic deterrence, limited war, and continental defense has not come off. We have plainly expected the impossible.

The present Secretary of Defense, Mr. Gates, is a happy reversion to the tradition of Forrestal, Marshall, and Lovett, which assumed that some prior experience would be useful.

This formula for resolving the problem of service divisions and functional tasks has also complicated the business of making the best use of our scientists and engineers. Vannevar Bush's dream of an integrated research and development program has at least until recently, fallen on the rocks of service rivalries and the operating weakness of the Office of the Secretary of Defense.

I am told there is currently a warm, close, and relaxed working relationship between the most distinguished gentleman and my good friend Herbert York, who is Assistant Secretary of Defense for Research and Engineering and his opposite numbers in the three service departments. However, the basic structure will require solid proof of miracles accomplished before I can believe that the ability and above-service orientation of even the present able research and development managers have surmounted them. Vivid memories of my own linger of research demonstrations of air defense systems that were supposed to be 99 percent foolproof, and strategic systems that dropped bombs with pinpoint accuracy.

The service missions they served had a profound influence, in my judgment, on the point of view and led us into untold expenditures on marginal systems.

A third concern has to do with the role of the scientist himself. We have seen how his services have become of decisive importance at all stages of the development of national security policy. My point is that he is in danger of being both underused or overused. He will be underused when he is placed in a Government laboratory and given detailed instructions and blinders and told to "solve the specific problem, please."

Experience has long since demonstrated the value of an arm's-length arrangement that makes it possible for a scientist to bring to bear his creative imagination on a widely and loosely defined problem. Scientific laboratories under military direction have frequently not prospered.

On the whole, a civilian management is preferable and, on the whole, the more creative the approach required, the more substantial the case for putting the scientist in a university environment on a contract arrangement.

But he can be overemployed, too. As the man with the answers to our deepest fears we are inclined to translate important special authority into authority in general. A specialist on atomic energy does not necessarily speak with equal authority on infrared devices or jet propulsion. Even less does he speak with authority on problems of strategic deterrence or on the probable outcome of the cold war.

We are in some danger, it seems to me, of repeating the mistakes of the thirties when the fears of depression produced an overvaluation of the general skills of the economist. The scientist like the economist has special skills of greatest importance.

But only when these scientists have, through experience or unique training, translated themselves into generalists should they be allowed to have a decisive vote in the public processes. It is no accident that two great and effective men, Killian and Glennan, did not come to their substantial administrative tasks directly from the laboratory.

Four, finally, this problem points up the long-range importance of an educational system that identifies, respects, and cultivates scientific talent. Real talent, creative talent, is our most precious commodity. Unless it is forthcoming, all other arrangements for its better use are still only arrangements. It follows, therefore, that the most decisive element for the long run in the whole complex of national security is the best possible educational system for the country. Impoverish this, and in my opinion we are doomed.

But three specific tasks devolve on our educational system if it is to give the broad support required for the complex management of our national security affairs.

First, as suggested, our program of scientific education must be of the best. This is not now the case. For details I refer to the statement by the President's Science Advisory Committee called "Education for the Age of Science," published last May. I had the privilege of being a member of the group that prepared that report.

Second, our future scientists must receive a thorough grounding in the social sciences and humanities for the simple reason that, as the revolutionaries of our era, they should be acquainted with the society they are helping to change. They must also be in a position to speak the language of the generalists and administrators who will become even more interested in their work.

And last, but far from least, we must make heroic efforts to raise the whole level of scientific understanding of the general citizenry. In a democracy scientists and engineers can probably go no further than the enlightened public will understand and permit. The two worlds so graphically described by C. P. Snow, that is, the world of the scientist and the nonscientist, must be united or at least adequately bridged if we are to survive as an effective, dynamic, and secure society.

Thank you very much, Senator.

Senator JACKSON. Dr. Perkins, may I first of all commend you for a most informative and constructive statement here this morning. I believe that your testimony will be most helpful in the work that we are trying to do in improving the national security policy process.

I should like to ask two questions, and then I will turn to my colleagues.

Dr. Perkins, you placed great stress on having top civilian officials who have an adequate comprehension of critical scientific and military facts, issues, and developments. Do you think that lack of such understanding has been a serious problem and have you any suggestions at this time for improvements?

Dr. PERKINS. Well, I think this has been a serious problem, Senator, because as our security policy requires a further and tighter integration of knowledge of diplomacy, domestic mobilization, science and military strategy, any one who comes to the council tables unfamiliar with the other parts of that puzzle is going to be a very hard person to integrate into those discussions.

I would say that the weakest link in the chain of discussion has been inadequate knowledge on the part of our civilians of both military and scientific matters. I think this has made the problem of coordination enormously difficult.

If you get a man who speaks Swahili and another who speaks French in the same room, you have a very hard time getting a common language out of them, and I think this is equally true of people who come from the civilian side of government, who have insufficient knowledge about scientific and military affairs.

What do you do about it? Well, there is a shortrun and there is a longrun answer to your question. The first thing, I think, is to make sure that people become thoroughly briefed on the ways of thinking and the positions of others who will participate in these coordinated councils. It is my impression that all too frequently officials have come to these discussions hardly even properly briefed about matters in their own department, because of pressure of work, let alone about matters that are likely to be brought up by people in other fields.

The longer range answer involves a basic change in our system of education. If you do not consider it a detour, I would like if I may to say something about the inadequacies of the preparation of our citizens for national security affairs.

Senator JACKSON. Would you get into what is being done in the private academic world to make up for the deficiencies that you have indicated?

Dr. PERKINS. I would be glad to. I think that we have seen a tremendous improvement in the last decade, Senator. At the time of the Korean war I had occasion to take a look at the courses being taught in our universities and at the books that were available to the private citizen.

We were in pitiful shape. There was hardly anything in the private domain that would give anyone a firsthand knowledge of some of the intricate problems involved in our security program. The result was that courses in government and economics were being taught as if defense expenditures were not now one-half our Federal budget and a large part of our preoccupation with foreign affairs.

There was no first-class center for studies in 1950 of our national security programs and defense policies. There was no private university center where military history and military programs were respectable topics outside of the ROTC, and even here the people

who were sent up for doing this kind of work were fairly narrowly trained. There was very little in the way of literature in our learned journals, scholarly meetings went on to talk about the Government as if a multi-billion dollar defense budget was not really an important matter for students of government, and foreign policy was taught as if the experience of World War II and Korea, that military factors were a decisive component—these courses were being taught as if this had never happened.

So, in 1950, a group with which I am proud to say I was associated, went to work to see what could be done to increase university competence in this area.

I think that I am able to report, Senator, that as of today there is a first-class group at Harvard under Henry Kissinger and Robert Bowie, who used to be in the State Department, and one at the School of Advanced International Studies under Paul Nitze. There is a center growing in Princeton under Klaus Knorr, and there is another one in Chicago, under Hans Morgenthau, and there are new ones at Ohio State, Wisconsin, California, and elsewhere, that are really trying to do the research necessary to illuminate these very tough problems. So, looking ahead for the next decade, we are likely to have people to whom these matters are not so strange as is the case today.

But I think that the private sector at long last—and by that I mean the world of the universities and of the press and of our magazines and of our professional associations—are at long last beginning to grapple with these problems.

Senator JACKSON. That is a very fine explanation. I assume the real problem is that the civilian who has the responsibility in this broad area of national security, must understand all the components that are involved in national security.

Dr. PERKINS. Yes, sir.

Senator JACKSON. Whereas, this Nation in the past has been confronted with military wars, the challenge today cuts across every facet of human activity, is this not correct?

Dr. PERKINS. This is true, and you have raised a point that I think needs some emphasis, Senator. Our Government and our society, thank God, is a civilian-managed society. But civilian management will not be maintained just by law, but will have to be demonstrated by effective practice.

So, the civilian managers, be they members of our legislative bodies or of the executive branch cannot afford to be ignorant of any section of the public process that is decisive for the future management and direction of our country.

In my judgment, this whole area of security policy and military policy has been woefully neglected and the jury is still out as to whether or not the civilian managers will learn fast enough some of the complexities involved in order to maintain their right to be managers.

Senator JACKSON. Dr. Perkins, our next set of hearings will relate to the need for the best experienced and trained people in government. I am glad that you have called to the committee's attention the importance of well-trained civilians to administer not only the important affairs within the Department of State, but I believe you have very

effectively pointed out the importance of highly competent Secretaries in the Department of Defense in order that we can have in effect true civilian control of the military, for example.

You cannot get that kind of control if the civilians are there for a short time and really have not had an opportunity to understand intimately and thoroughly the role that they must play in that particular area of national security.

Dr. PERKINS. I couldn't agree with you more. I think that civilian control which we all thoroughly believe in is of decisive importance. But it is not something that you can legislate. You can give the person the right to exercise control, but that control may be a paper control if the person who is to exercise that control is not fully conversant with the areas in which he is to do business.

I would say that civilian control in the Pentagon is directly proportionate to the amount of know-how on the part of the civilian secretaries. If a person has all of the paper authority on earth, he won't dare to exercise it unless he is confident about the effects of his actions.

Senator JACKSON. I have made the comment that while people worry about a military general staff taking over, I think the greater menace is a civilian general staff that has great power but is not in a position to exercise it as our forefathers provided for in the Constitution.

This is one of our great problems, and I think that it is a great mistake when people assume that they can learn their job in a few months and then proceed to make great strategic decisions.

Dr. PERKINS. I think it is important to remember, and I do not mean to detour you off on another question, but what you say prompts so many ideas that are in my head. The civilian managers in the Pentagon that have really turned out to be the most effective are those that have had some experience in the Pentagon and preferably even some experience in the State Department. My most distinguished friend who has been before this committee some weeks ago, Robert Lovett, is a perfect case in point of a man whose effectiveness was in no small measure due to the fact that he had had very high positions in both the Defense and State Departments. This is also true of Tom Finletter, who was both in the State Department and in the Defense Department.

Marshall operated on both sides of the river. I think they recognized the fact that the Secretary of Defense has to work very closely to the Secretary of State if this system is going to work. And to have had experience in both Departments is of enormous value to see to it that that integration takes place.

Senator JACKSON. Senator Robertson?

Senator ROBERTSON. I was just interested in your statement that we could either underuse or overuse our scientists. Which do you think we have been doing?

Dr. PERKINS. Both.

Senator ROBERTSON. What is your proposed remedy?

Dr. PERKINS. Well, there is no easy remedy. I would say that on the underuse of scientists, I would make very sure that directions and instructions given to scientific personnel are not too tightly drawn.

The other side is important also. When you are dealing with scientists, if you want their creative response, you give them a fairly broad problem and then ask them to use their genius to seek a satisfactory answer.

On the overuse, I would just make certain that they do not carry, because of their obvious eminence and authority as scientists, too much weight in matters where scientific know-how is not really the decisive matter.

When you translate a scientific capability into public policy, you must be very sure that the scientist realizes he is operating there as a specialist and not a generalist. I would make sure that the President or anyone else who has a scientific adviser, makes sure that he knows both the limits and the advantages of the advice he is getting. I think this involves a great deal of knowledge about how to use this marvelous scientific expertise.

Senator ROBERTSON. Have you ever known any scientists, a Ph. D. scientist, and that would be the top echelon, I suppose, who appeared to have any difficulty in translating theory into practical works?

Dr. PERKINS. Well, I could think of a good many. As a matter of fact, it would be easier for me to think of the few who had no such difficulty, Senator. I would think that the two men that I mentioned, although they are not certainly known as pure scientists, Keith Glennan, who runs the space agency, and Dr. Killian, who used to be the head of the President's Scientific Advisory Committee, were successful largely because they had had a great deal of administrative experience other than that of working in a laboratory, or of teaching classes. They are those very rare fellows called scientific administrators.

I think that there are relatively few of them, and we need a lot more. James Fisk, who is the president of Bell Laboratory, who I think is appearing before this committee, is another case in point. And there are, of course, others.

Senator ROBERTSON. Now, Doctor, you said that we were not making the proper utilization of our scientific knowledge. You said that research did not seem to prosper under military control, and that is the reason I asked you the question.

The major issue, at least from the standpoint of survival is a military potential that will stay the hand of an aggressor: I infer that you would rather turn the scientists free to study the things they prefer to study, rather than to leave them under the control of the military, when the military might say, "We are not as much concerned about sending a man to the moon as we are to send a 1,000-pound payload to the Soviet Union, if they should start shooting."

What is your answer to that?

Dr. PERKINS. If we are going to gear scientists into working on our military requirements, they must, of course, work on military problems. I would merely state those problems in a way, Senator, that would give the scientist a chance to exercise his real creative talent.

Senator ROBERTSON. Then they should be given military problems.

Dr. PERKINS. Indeed they should.

Senator ROBERTSON. All right. Now, you criticized our military setup and recommended unification. What specific plan did you have in mind?

Dr. PERKINS. I have two or three things to suggest that would lead toward unification. Let me suggest one or two. These are directions in which I think reform might take place.

I am not naive enough to believe, Senator, that a plan could be drawn up and we could overnight amalgamate the services and everybody would come out in the same uniform. I don't think that our country works that way, and as a matter of fact, I think it probably would be disastrous. But I think two or three things would help in this unification. I think the chief officers of unification, the Secretary of Defense and the Chairman of the Joint Chiefs of Staff should not be put in those positions unless they are able to manage a unified program, and I said earlier that putting men into the post of Secretary of Defense who have to learn on the job is one of the weakest ways to direct this program into a unified way.

While he is learning it is obvious that the services have to go their own way until he tells them to do something different. So my first recommendation would be that we never put anybody in the post of Secretary of Defense who has not had a minimum of a year, and I would prefer 2 years, in the Pentagon and preferably if it could be done, and this may be asking too much, that this person have had some experience in the State Department or some other department of the Government.

Senator ROBERTSON. I agree with you there.

Dr. PERKINS. I think this would be my first suggestion.

Senator ROBERTSON. I am talking about unifying the Army, Navy, and the Air Force.

Dr. PERKINS. I am, too.

Senator ROBERTSON. But you were talking about the experience for the Secretary of Defense.

Dr. PERKINS. The Secretary of Defense is the chief instrument through which we are going to provide the unification. If you don't have it there, you won't get it.

Senator ROBERTSON. You go ahead and explain it.

Dr. PERKINS. So that would be my first.

Secondly, the Chairman of the Joint Chiefs of Staff must be given adequate authority.

It is my judgment that only when we have centralized authority and responsibility in the same office will it be possible to control the military at all. The easiest way to dodge the problem of civilian direction and of unified control is to not make clear who it is that is keeping store.

Now, third, a very radical idea which I have——

Senator ROBERTSON. Before you leave that, you have not recommended any powers for the Secretary of Defense that he does not already have, have you?

Dr. PERKINS. I was saying earlier that the Secretary of Defense may have all of the legal or paper powers that you can give him. If he does not have the experience and the knowledge to exercise them, they will not be used.

It is my general observation that the paper powers we have assigned to the Office of the Secretary of Defense have exceeded the competence of the Secretary to exercise them. That is largely because they have had to learn their job when they arrived in the office. So I don't think

it is a problem of assigning additional paper authority. I think it is a matter of seeing to it that men are there who are able to exercise the authority they have.

I have a third point. Someone has suggested that consideration might be given to seeing to it that general officers above a certain rank no longer receive their ratings or no longer even necessarily receive their direct assignments from the military officer of their particular department, but they might become officers who would operate more directly under the Chairman of the Joint Chiefs of Staff and the Secretary of Defense. I can see all kinds of nightmares in moving in this direction, but this might be one way of seeing to it that at least the top list of officers operate under some kind of unified management.

But if somehow or other, these officers could realize that there is a military establishment that goes over and beyond the service in which they are trained, I think it might be helpful, too. I don't think that there are, as I said earlier, any simple formulas for the solution of this problem. But I would like to see three or four improvements being actively, directly, consciously and responsibly pushed.

Senator ROBERTSON. Don't you think that even if we cut out the Naval Academy beating the Army, and cut out the Army beating the Navy and you still have a Chief of Staff or have a member of the Joint Chiefs from the Navy and from the Army, you are still going to have service rivalry?

Dr. PERKINS. I don't hope in my lifetime to see—

Senator ROBERTSON. Do you think we can have the present setup of a staff composed of the heads of the four branches, including the Marine Corps? Do you want to keep that or do you want to abolish that?

Dr. PERKINS. I think that at the moment, I do not have any idea that we should radically reform the individual services we have. I do not believe in revolutionary change, Senator, because I don't think that it works. You just lose too much momentum.

I do think that there are three or four points in this system where I would be more comfortable if I saw more progress than is now the case. I would like to see more unifying capability rather than paper power in the Office of the Secretary of Defense. I would like to see more power if that is necessary placed in the chairman of the Joint Chiefs.

I would like to see explored the question as to whether or not our top-ranking officers could be given a central rather than a service orientation. I would like to see explored ways in which this independence and separateness that is inculcated at the very outset of a military training could be minimized.

In all of these directions, I think, progress lies. It is not in any one big revolutionary change, and so I would not change the four services tomorrow or next year or the next couple of years. But I would like to see the system slowly and gradually modified. This, I understand, is the way in which we progress in this country.

Senator ROBERTSON. I have just one other question, and I apologize to my colleagues for taking up so much of the time.

Dr. PERKINS. They would have asked them if you hadn't, so it is just as well.

Senator ROBERTSON. You don't have to answer this unless you feel it is appropriate. But in previous hearings the witnesses have been

asked to comment on whether or not we can get an adequate defense within the framework of the President's defense budget. Would you care to comment on it?

Dr. PERKINS. Senator, anyone with an academic background finds it difficult not to comment on any question. So I will comment and gladly, but as long as you understand what you are getting.

I have not had a chance to review the military budget for 3 years, so anything I say could be said to be out of date because of changes in the picture that have taken place in the last 3 years.

But I would say in principle, Senator, that I find it hard to believe on the basis of what I knew 3 years ago, that a spreading and evolving technology that has involved more and more complicated weapons can be fitted into a system that says in advance, no matter what it is you request, make sure it only comes to X billions of dollars.

It strikes me that this is like pumping air into the tire but not asking the tire to expand. It is my view, sir, that we have in the past 4 or 5 years probably passed up capabilities in the field of air defense, and in the field of limited war capability in order to make certain that new deterrent weapons systems—the B-52 and B-58 and B-70, ICBMs, and the Dynasoar and others—can be accommodated into our budget.

So I would say that somebody would have to prove to me that we have not given up important capabilities in the field of air defense and limited war and maybe even in our deterrent program as the price of getting all of our strategic requirements within a fairly stable military budget.

I don't know whether that is responsive to your question or not.

Senator ROBERTSON. Oh, yes; it is. You have not changed the views you had, when you served on the Gaither committee; have you?

Dr. PERKINS. No, sir.

Senator ROBERTSON. Thank you very much.

Senator BUSH. Going back just a moment to Senator Robertson's question, Dr. Perkins—

Dr. PERKINS. Do all of the Senators ask such tough questions?

Senator BUSH. This one can be answered very briefly, I would think.

Senator JACKSON. That is usually the way the question starts.

Dr. PERKINS. I am braced for this one now.

Senator BUSH. You have been doing all right. I can say that for you, sir.

Dr. PERKINS. Thank you.

Senator BUSH. In some of the recommendations along the lines of unification a few years ago when we passed the unification bill, so-called, which you say has not unified very much yet, except on paper, the question of the common uniform for the services came up.

I wondered whether you would care to comment on that this morning? Do you think that would help us in our general drive toward unification?

Dr. PERKINS. It is a symbol. It is a symbol of separateness, Senator. It has in the past performed a very important function of maintaining service morale and of distinguishing real military functions.

I must confess I would be very interested in seeing a positive exploration of what would happen if we could put our very top officers in the same uniform. This would follow along the suggestion I made earlier, that if an officer achieved the rank, I would start with two-star generals—all two-star generals should wear the same uniform to indicate that they are now in a general service rather than a special one, and if it works there, try it to the next rank below, and I would work my way down.

It may be that in trying it, it won't work. But I would like to see it explored.

Senator BUSH. You think the way to explore it is to begin at the top, and not generalize it right off the bat?

Dr. PERKINS. Yes. I would start at the top and work down. If it works there, you can go further. Here is where interservice cooperation can really take place. There is far more contact between officers at the two-star rank, than at the rank of first lieutenant.

Therefore, I would start at the level where it would be most natural to start it. But you have me out on a point that I would make sure you understood I had not thought out in detail and I would just once again say that there must be many things that must be explored, that can slowly but surely move us in the right direction, and this is one.

Senator BUSH. This is one of the recommendations which recurs from year to year.

Dr. PERKINS. And I think that I would like to see it tried.

Senator BUSH. In the Hoover Commission reports, and also in the recent report by the staff of the Joint Economic Committee of the Congress, there were comments about the failure to integrate purchasing, especially in common-use items. Are you familiar with either one of those reports, on that subject?

Dr. PERKINS. Well, I used to be.

Senator BUSH. I think the Commission report shows that through the proper integration of purchasing, especially in the field of common-use items, a savings of close to \$4 billion a year could be realized, which is no small matter, in relation to the total defense budget, but you are not particularly familiar with that area.

Dr. PERKINS. I am not particularly familiar with it, but I at one time had a number of conversations with Secretary McNeil, who used to be the Assistant Secretary of Defense in this area.

Senator BUSH. And a very able man.

Dr. PERKINS. I would like, if I may, Senator, to just pay my respects to a very distinguished man, Secretary McNeil, who is precisely the kind of person I was describing that could exercise real control because he had real knowledge. McNeil knew as much about what was going on in the three departments as did the people in the departments themselves. I think that the stability of the office of Secretary of Defense over a period of almost a decade is in very large measure to be attributed to the stabilizing expert influence of Mr. McNeil, and I am happy to be able to say this in public.

Senator BUSH. That is a wonderful tribute, and I am glad to hear that. I hold the very highest opinion of him, and I am sure we all do, but you have put that in splendid language and I commend you for that. I congratulate you upon it. I agree with you very, very much

indeed. I thought that it was a very sad day for the Department and for our country when he had to pull out of there.

Dr. PERKINS. I agree.

Senator BUSH. In your prepared statement, Dr. Perkins, you make three recommendations in the field of education. First you refer to the program of scientific education, that it must be, of the best and you refer to the President's Science Advisory Committee report. Does that report make recommendations for anything that the Federal Government or legislative branch should be doing in this field that we are not doing?

Dr. PERKINS. It did not try to frame legislation, so I think the answer to your question is, in general, "No." But I would think that anyone interested in scientific education should read that report. Dr. Dubridge, the chief of the University of California Institute of Technology, was the head of the group that wrote that report, and he deserves whatever credit comes from having worked on that document.

Senator BUSH. Of course, we are naturally interested here in what our responsibilities are in that field, and that leads me to the second question: You say our future scientists must receive a thorough grounding in the social sciences and humanities and so forth. Do you care to comment on that so far as the legislative responsibilities are concerned?

Dr. PERKINS. Now I will have to make a general comment, since you have raised it in both cases, about the responsibilities of the Federal Government. This is a whole new hearing in itself. We are just now, as a country, debating the proper role of the Federal Government in the field of education. I would think in this particular area that we are discussing now, the Federal Government's contribution has been primarily in the field of scientific research and only secondarily in instruction although the National Science Foundation has made major contributions to some exciting developments in secondary school scientific instruction.

I think the Government can be proud of its efforts in this field. With relatively few exceptions I would say that the funds that have gone to our universities have been very skillfully managed by the people in the Federal Government and have been put to very good use.

The National Science Foundation, which some of you here may have had a hand in creating, has had an almost decisive influence on seeing to it that badly neglected areas of science are properly funded with Federal money. The Science Foundation is almost a measure of the way in which public money can be spent wisely and with objectivity by skilled managers.

There is another point, however, which I think might well be of concern to people interested in what the Federal Government can do, and that is that research is only one part of the business of mobilizing our scientific expertise. We have also to concern ourselves with the whole program of instruction and we are not going to get research in this country done by capable people if we do not take a very hard look at the way in which science is taught all of the way down to the seventh and eighth grades in our schools.

The Carnegie Corporation made a little study of this, and discovered that really the turning point in the careers of future scientists in this:

country takes place at the seventh and eighth grades when they first hit mathematics.

Senator JACKSON. Right at that point, if I might break in, a specific illustration was the five famous scientists from Budapest, Hungary, Dr. Szilard, Dr. John von Neumann, Dr. von Karmen, Dr. Teller, and Dr. Wigner, who will testify—all five of these men made some of the greatest scientific contributions that have been made in the last 15 years, and all won a prize in mathematics in high school in Budapest. It started them on their way to brilliant scientific careers.

Dr. PERKINS. We are dealing with the central switchboard here. It is at these grades, Senator, that a good many students decide their careers. They don't know that they are doing so, but in effect they are. That is because their first exposure to mathematics largely comes in our system around the eighth grade, just before going into high school.

Now, if that exposure has been interesting and exciting and well managed, they then go on and they are not frightened by taking science and mathematics courses in high school. If they are frightened or discouraged, they pass it up because in most of our high schools, and not all of them, mathematics will not be a required subject. So why is it that so much of our potential scientific talent is lost at this level? It is lost because so many who teach mathematics in the seventh and eighth grades have not been adequately trained in this field themselves.

If this is improved, we will not be losing our top talent, and they will go into the high school areas of mathematics and science with more vigor and interest, and our talent supply may be doubled and trebled. We may find that we have lost the Von Neumanns in the seventh grade without ever knowing it.

Senator BUSH. I could not agree with you more. I may observe, and probably other Senators have, that I give civil-service examinations to applicants for the Military Academies, and they get marked, and the deficiency in mathematics is appalling.

That is revealed in these applications and these men are going to Academies where a knowledge of basic mathematics and ability to absorb more of it is essential.

Dr. PERKINS. That is right.

Senator BUSH. It really frightened me to see how badly our youth is doing in that connection, and I do not believe the State of Connecticut is behind any in its educational system and I think offers as good a chance as any.

Now, finally, I want to ask one more question, and this is for my good friend, Senator Stennis. Your final statement is "And last, but far from least, we must make heroic efforts to raise the whole level of scientific understanding of the general citizenry."

That is a nice undertaking for someone. I wonder how you think we could be helpful in that.

Dr. PERKINS. Well, of course you start with what we have just been talking about.

Senator BUSH. Yes; I understand that.

Dr. PERKINS. You cannot allow just scientists any more to take mathematics and science courses. A high school program that does

not have a required exposure to mathematics, physics, chemistry, and biology is going to be turning out thousands of young people to whom this new world is unknown. So I would start by saying that we have to see to it, and make it a requirement, that everyone capable of understanding the subject matter, have a basic exposure to mathematics and one of the hard sciences, that is physics or chemistry, and to the rudiments of biology.

Without this, there is no base on which later on they can come to understand our new world. Then I think those who have gone through college without this minimal exposure should be encouraged to take courses that would fill the deficiency. I am afraid relatively less attention is given to upgrading in this area than is perhaps in more easily understood skills.

So the second thing I would recommend would be that those concerned with adult education see to it that offerings in this area are made by able people, by people capable of teaching and instructing those who only have a general knowledge.

Senator JACKSON. What you said about the teachers in mathematics and the lack of quality there suggests that they, too, find the subject uninteresting, and the field doesn't attract the same quality of teacher that goes into the social sciences, and the languages, and so forth. I wonder what we can do about that, because of the importance of the field of mathematics. How can we attract better teachers into that area? Do you think we should put premiums on it?

Dr. PERKINS. This has been debated in educational circles, but I think the business of paying salary premiums to attract people would wreck any school system. I have seen ideas for paying mathematics teachers \$1,000 a year more than the rest of the teachers. I am afraid they would be hunted men and women and their lives would be made miserable. I think the general level of teacher compensation must be increased.

But one thing would do it as much as anything else. If the teaching of science in both primary and high school, was considered an important business by the chief scientists of this country, you would change the whole view of the attractiveness of these positions. The collegiate teacher, and not only the natural scientist, has to a great extent felt that instruction at the secondary level was believed to be of a lesser order of importance than instruction at the collegiate level. The result is that people who had any scientific capability have gravitated away from teaching science at the secondary level, and have left it to people who have not had adequate preparation.

Now, there are signs that this is changing, too. For example, there is a very important program going on at MIT, for the upgrading of the teaching of physics in our primary and secondary schools, led by Dr. Zacharias, a very able and energetic scientist. Through film, TV programs, and upgrading of books, a group of collegiate teachers of science have begun to concern themselves with the way in which the teaching of physics can be improved at the secondary school level. You have no idea, Senator, what it has meant to the teachers of sciences in secondary schools to discover that half a dozen of the leading scientists of the United States really think that what they are doing is important.

Senator BRUSH. That is recognition, you mean.

Dr. PERKINS. Yes.

Senator BUSH. Thank you.

Senator STENNIS. Mr. Chairman, I especially want to thank you for the invitation to be around here this morning and hear this very fine statement and additionally Dr. Perkins' answers to these questions. I understand that you want to go into executive session.

Senator JACKSON. We have time, so you go right ahead, Senator Stennis. Senator Stennis is on the Armed Services Committee and the Appropriations Subcommittee handling all funds for the Department of Defense, and he has been most helpful to us during this study.

Dr. PERKINS. I have had personal advice on this score, Senator.

Senator STENNIS. Well, I certainly am impressed with your very fine statement.

I am going to be brief, Mr. Chairman, because I know you have this executive session coming up. But I think that it will be of interest to you as well as to the committee, Dr. Perkins, to know that what you said with reference to teaching mathematics in the seventh and eighth grade was mentioned just yesterday to me by a very eminent jurist, a Federal judge. He applied the same rule with reference to the need of the emphasis on mathematics and other hard courses at the same level for lawyers. He said that he detected the lack of clarity and the reasoning and the lack of ability to express themselves with clearness and succinctness among lawyers today. He thought undoubtedly those same men, if they had the proper emphasis in the hard courses in the seventh and eighth grades and at the high school level would be far more successful in their chosen profession.

He has a different profession in mind than you do. But you come out with the same answer exactly, and he has the same observation.

May I say, too, as one who has struggled along in an average way for several years as a member of the Armed Services Committee, and I say this without criticism at all of the personnel of the military services, that I think that your remarks are so very timely and so correct, too, with reference to the problem here regarding so-called unification or getting the most out of the dollar and the men, too, and the talent. I no longer blame the members of the military for their position and their attitude about what I call revising unification.

I spent Saturday at the University of Virginia where they were having a moot court. The alumni were there. I just thought that those young men were going out as young lawyers, what if they were told that all of the promotions at the bar are going to come from a group of lawyers that are up the line, which is going to pass on them and grade them, and that their allegiance is to that group rather than getting into the business part of the world. That is what we do to our military men, after all. We tell the young graduate in the Air Force, "Your promotion is going to come in the Air Force and it is up to you to back the Air Force and that is your career and that is your problem."

We say, "You are going up the ladder only through the word of men that are above you, the selection board." I think within their system they do a good job, but it is the system.

Then in the Army, the young Army men are told the same thing. So naturally they pull in that direction. They keep that trace tight all of the time and they would not want to disturb the system that

they are serving and it in turn serves them on their merits. So I think that you are correct about those senior officers. But I think that we are going to have to start to change the system with the junior officers, too. As long as we train them to serve those services in that way, and the promotions come solely that way, I think we are going to be victims of it and they will be victims of having the more limited viewpoint, that their talents go way beyond.

Now, as you say, it is certainly not a revolutionary matter of changing that. It is an evolutionary process.

Senator JACKSON. Might I just interrupt to say what impressed me at least was the realistic approach that Dr. Perkins made to the questions put to him on this ever-recurring problem of reorganization of the Department of Defense. We hear about so many grand plans that are going to change everything in one document.

What appealed to me this morning was the fact that he has made an approach based on human behavior and human reaction and human attitudes. I think it comes closer to achievement than some of these far-reaching proposals that promise the solution to everything.

Senator STENNIS. I agree heartily, I thought the key question on that problem was Senator Robertson's when he asked you what is your plan. You said you did not have a plan. You said it was an evolutionary process. I find a great many of the military personnel themselves seem to realize this, and want more done about it. I want to give one illustration, Senator Jackson. You so clearly say here, "Functional tasks now divide along lines of strategic deterrence, limited warfare, continental military defense, civil defense, and military assistance to allies in support of the above. The hard, unvarnished truth is that it has been impossible to assign tasks on a functional basis along existing service lines."

Last week we considered the air defense of the Nation, and we had General Kuter here who is in charge, a 4-star general as you may know. You might be amazed to know that the money for that vast program has to be supplied partly by the Air Force, and partly by the Navy and partly by the Army. In the course of some changes those services, it seemed, just made some shifts in their plans and withdrew some of their support to a vital part of his program. The shifts were actually made, and he advised against it, but he just woke up one morning and the support was gone. It was an amazing thing to me. We are spending many billions of dollars, and I am not directing criticism to any one, on a system that would operate in that way.

Dr. PERKINS. I just wanted to say, that I would not be surprised, Senator, because this is the way in which the system almost has to work. It is not only in air defense. If you take our strategic deterrent program today, I am sure that one of the great problems of coordination that is coming up is going to be the coordination of our airplanes, operating from our SAC bases, with the ICBM's, and with the Polaris missiles operating out of submarines scattered over the ocean. The problem of coordination of this is immense. Even to think about how you are going to do it is pretty tough. But when you have these capabilities divided between the Air Force and the Navy, you have introduced real hazards, because the coordination cannot take place between these two services until you get too far up.

The same thing of course is true in air defense, just as you say. The officer in charge of the air defense system who operates out of Colorado Springs has always faced the possibility since it was started, that a component, Army or Navy or Air may be reassigned in order to meet a service requirement. There is nothing he can do about it except to appeal to the Secretary of Defense.

Most people in this position, I would say, will walk into a service decision to reallocate men and materials with greater care unless they have been in the business a good while.

Senator STENNIS. Well, you are so correct. May I take just a moment to join you in your complimentary remarks to the Assistant Secretary McNeil, whose name came to my mind while you were describing the type of men that we need, even before his name was mentioned.

I was tremendously impressed with the services that he so unselfishly rendered. He had a very becoming modesty, too, and I am glad to see that he is recognized in your circles, and I would like to see it everywhere.

Mr. Chairman, I thank you again, and Dr. Perkins, too.

If I may make one further point here, I think that General Taylor's book, and I am sure it has come to your attention, with reference to the assignment of a task rather than the service idea is important. I think that he made a very fine contribution.

Dr. PERKINS. That is Gen. Maxwell Taylor; yes.

Senator STENNIS. I think he has one of the finest minds of our time, and he has made a contribution in that book.

Dr. PERKINS. I think the books that have come out of some of our distinguished military officers commenting on their own personal background and experience are invaluable additions to our knowledge, and I would put General Taylor's book high on that list.

Senator STENNIS. I thank you, Mr. Chairman. I have concluded.

Senator JACKSON. The questions were very helpful, Senator Stennis, and I particularly appreciate your bringing out the fact that we had a little experience in this problem of Defense Department organization in connection with the air defense situation. I think it is also an example, Dr. Perkins, of what happens when each service has this budgetary ceiling. They have to decide then on how they want to live under that ceiling, even though it has a very substantial effect in an area where they do not as a service have a great concern. This is exactly what happened in connection with the budget for Norad. The committee was advised last year after a so-called master air defense plan was worked out that this was the absolute minimum effort that we must make. In the meantime, for a reason entirely separate from that of meeting an air defense requirement, a budgetary situation came up that they wanted to meet in order to fulfill strategic deterrent objectives. They reshuffled the funds despite the fact that our committee had been advised last year that the master air defense plan was the very minimum effort that we could make.

Senator STENNIS. We might as well add, those funds were reshuffled and shifted in a step that may be sound, but the sad fact is that the commander, the man carrying the responsibility of Norad, was not even consulted. He just woke up one morning and the support was gone. That is about the description of it.

I want to emphasize that I want to compliment you on emphasizing that our foreign policy and military policy are linked together. They are inseparable. That is the new world we are living in. We don't much like it, but it is true. People don't realize that, I am afraid.

Senator JACKSON. Let me quote a brief statement in connection with the organization of the Department of Defense made by Mr. Lovett before our committee on February 23. I now quote:

The number of committees in the Department of Defense and the military departments is still far too great. There is excessive staff layering.

The constant increase in the number of committees—other than those statutorily created—has reached a point where they are no longer mere nuisances, but have become positive menaces to the prompt and orderly conduct of business.

Some committees obviously are necessary—for example, certain interdepartmental ones—but I think it is fair to say that Dr. Parkinson's first law finds its best examples in this field. Committees reviewing other committees, overlapping them, are one of the most productive sources of vacillating administration and wavering policies.

I want to call attention to a request that our committee made of the Department of Defense on March 11. We asked for a list or breakdown of all of the committees in the Department of Defense.

Now, the list that they submitted which I have here contains 733 committees with 179 subcommittees. I hasten to all that this does not include classified committees or committees of the NSC-OCB mechanism. There are sample titles here, "Interservice Flight Vehicle Power Group," "Joint Master Menu Board," "Department of Army Accelerated Item Reduction Program Task Group," "Fiscal Sponsors Committee of the Toxicological Information Center."

May I ask this question Mr. Perkins: You heard my quotation from Mr. Lovett. Do you in general concur with what he said in his observations on this system that we have so graphically before us in this big, thick, heavy volume of Defense Department committees?

Dr. PERKINS. Fortunately, Senator, I do concur. It would be very hard not to in the face of that evidence. I think that a large establishment such as the Pentagon and the Federal Government is inevitably going to have an enormous number of committees in order to see to it that people in different branches of the Government worrying about the same problem are able to better understand and coordinate their efforts. I don't think that there is any conceivable way to abolish the committee idea. I am sure that nobody would suggest it.

I do think, however, that we have used a necessary instrument for administration frequently, all too frequently, as a way of dodging responsibility.

Senator JACKSON. It is an old American habit to refer a question to a committee, particularly if you don't know quite what you want to do with the question at that particular time. I suspect that half of these committees could stop work tomorrow and our policies would not suffer.

Would you like to make a distinction here among committees, ones where the chairman has authority to make a decision, and ones where they can meet and discuss and no one has the power to make a decision? Isn't that an important distinction?

Dr. PERKINS. It is, but I would have to ask a previous one, Senator, and that is what the committee was set up for. Now, if the committee is set up—

Senator JACKSON. I am assuming that it has a justifiable task and that the chairman or someone can make a decision after the matter has been thoroughly discussed.

Dr. PERKINS. Well, if a committee's work does not end up in administrative decision by somebody, somebody has wasted a lot of time. I would say that the committee system as a way of getting knowledge or of pooling knowledge is a very important device, particularly for people who work in very different departments. But the committee as a system for reaching administrative decisions is a terribly cumbersome device.

Senator STENNIS. If I may interpose here on this committee subject, during the debate on the civil rights bill we found we had 5½ pounds of bills. Now you have exceeded that record here in this list of Defense Department committees and you have more pounds of committees here on paper than we had bills in that 8 weeks' debate.

Senator JACKSON. Only the Pentagon can beat us out on paper effort.

I have some more questions, but I would like to turn to the minority counsel, Mr. Pendleton, for some questions.

Senator Mundt regretted that he could not be here, but he had a previous commitment, and Senator Javits, I believe is in Europe in connection with official business.

Mr. PENDLETON. I would like to join the Senators here in commending the prepared statement. It is excellent. I think you have done a fine job on this and made a real contribution. I particularly like your comment on the first page, that "there are no simple formulas for their solution." I sometimes think that that is overlooked.

Dr. PERKINS. There may be, sir, but I just haven't seen them.

Mr. PENDLETON. That shows a great wisdom in your approach to problems of this kind.

In your statement you refer to the organization of the Department of State. You say that—

The global sweep of modern weapons makes it clear that foreign policy and military policy are inextricably linked. And yet there are few indications, indeed, that this fact has influenced either the organization or the procedures of the Department of State. There is no high official in the Department who has these considerations as his specific responsibility.

Are you aware of the appointment within the Department of State by Secretary Dulles of a U.S. representative on disarmament, a special assistant to the Secretary for disarmament and atomic energy, and a science adviser; and of continuation of the policy-planning group under Assistant Secretary Gerard Smith, from the tenure of earlier secretaries? Do you think this in any way applies to this problem?

Dr. PERKINS. Only fractionally. I am aware of the positions you have mentioned, and I would applaud every one of them. But I was referring especially to problems of military capability and strategy. I know the Secretary of State has had an assistant on atomic energy affairs for some time. That man, I am sure, has been most valuable to him. He is an adviser, however, dealing in a fairly limited although very important field.

Now, I was referring to the absence of anyone in the Department, and this is a point that I think was made by Mr. Bowie, a good friend of mine and recently director of the policy planning staff, where he

said that the Department was undermanned with people who had any kind of a considerable grounding in matters of military affairs and weaponry.

I was drawing a contrast between the absence of some such officer in the Department of State, and the presence of a similar opposite number in the Department of Defense, who is there specifically to see to it that the Defense Department considerations always take account of international matters, and that is the Assistant Secretary for International Security Affairs.

I was just suggesting that an officer with the same rank and the same status who for the Department of State could see to it that the top councils are continually made aware of the most current considerations of military strategy.

Mr. PENDLETON. Thank you.

Now, you are aware of Mr. Lovett's testimony before this committee, in which he said, and I quote:

The policymaking machinery and procedures in the Department (of State) seem to me, in general terms, to be adequate.

He next replied in the negative in answer to the question:

Should the Secretary be given a more dominant role in overall national security planning?

And a third question:

Are the responsibilities of the State and Defense Departments in the national security policymaking now correctly defined, and divided?

And he said:

I think they are adequately defined at present.

Now, you stated in your statement:

There is not, as far as I know, any regular briefing of the top officials of the Department on the military component of our foreign policy. Junior officers do not attend military staff colleges in any significant numbers. If the military component is a decisive ingredient, there are few visible indications that the State Department has yet taken appropriate steps to develop the necessary internal expertise.

Have you participated in policymaking within the Department of State in recent years?

Dr. PERKINS. No, sir.

Mr. PENDLETON. You refer now to the fact that junior officers do not attend military staff colleges in any significant numbers.

Dr. PERKINS. I would like to be updated on the point, though. As a matter of fact, is the situation in the Department different than I have described?

Mr. PENDLETON. I am sorry, I am not qualified to testify as a witness. You are the expert here, sir.

Dr. PERKINS. Not on this point.

Senator JACKSON. I do not think Dr. Perkins claimed to be an expert on this point.

Mr. PENDLETON. You said junior officers do not attend staff college in any significant numbers. I am sure you did not intend to imply that there were no Department of State personnel who attended the War College.

Dr. PERKINS. I don't think that I would have used the phrase I did if I thought there were none. I am told that this year there are

six officers in the State Department who are currently attending the National War College. I think that this is far too few when you realize that there must be 8 to 10 times that number of military officers who are having identical experience. I would like to see that number increased or multiplied by a factor of four. I think 20 officers from the State Department are none too many to offset the expert training in this combination field that military officers are getting.

Mr. PENDLETON. Now, turning to the Department of Defense, where you referred to the organization there, are you aware of the statement of Mr. Lovett before this committee, in which he says:

Taking the Department of Defense first, since it is freshest in my mind, I believe that adequate policymaking machinery in its special field is currently available; that proven operations machinery is in being; that it has, furthermore, the essential military attribute of close relationship between planning and operational responsibility * * *.

In that regard, I was wondering whether you were in favor of the action of Secretary Gates in deciding to sit in on meetings of the Joint Chiefs when a problem of controversial nature arose?

Dr. PERKINS. I am emphatically in favor of it. I am particularly pleased that he is doing it because I think that Mr. Gates, unlike his two predecessors, is bringing to discussions of the Joint Chiefs of Staff a wealth of experience within the Pentagon. I think Gates' move was a very wise one indeed, and I would applaud him for so doing.

Mr. PENDLETON. Now, you referred next, following your prepared statement, to a system—I am not sure of the words, and I don't have them before me, but I think that you will recognize them—a system that sets in advance a specific number of dollars which will be for the defense budget and no more beyond that. I was wondering what was the basis for your reference to that system? Have you participated recently in the policy planning that establishes policies for our defense budget?

Dr. PERKINS. No, I have not participated but I am fully aware of them. In this case let me be specific. As I understand it, the Air Force has been told that they should develop their plans for the next budgetary year on the assumption that their budget will be about the same as the current one, namely, about \$18 billion. So here before they are asked what their requirements are to carry out the missions assigned to them, they are told to figure out their assignments in terms of an overall ceiling of \$18 billion. So it will come as a surprise to no one when they come forward with their plans, that they will cost about \$18 billion? In so doing, they will quietly and of necessity have to make a whole series of decisions not to do certain things, in order to live within this total figure. I know perfectly well what happens, because I am fairly closely connected with a good many people who are involved in this process. My concern about it, and I am sure you would share it, would be that people would be making decisions that would gravely affect our military capability without bringing to the surface what it is that they had decided not to do.

Senator JACKSON. If I might break in at that point, just for one moment, Dr. Perkins, just to clarify the record, you did serve as a member of the Gaither Committee and you did have an opportunity to look into the whole process, did you not?

Dr. PERKINS. Indeed I did, but the minority counsel asked if my experience was recent, and I had to answer no. I have participated but not within the last 2 or 3 years.

Senator JACKSON. So far as you know, there has been no change in that process?

Dr. PERKINS. On the contrary, I believe there are good reasons to believe there has been no change.

Mr. PENDLETON. Going to the question of the preparedness position at the present time, turning once more to Secretary Gates, are you aware of his statement before the Senate Committee on Aeronautical and Space Sciences, and the Preparedness Investigating Subcommittee of the Senate on March 16? In this he very briefly set out the position of the U.S. defense at the present time, based on a mixture between the ICBM, the Polaris, and SAC. Did you see any reports about that?

Dr. PERKINS. I saw it in the newspaper, but that is all.

Mr. PENDLETON. Mr. Chairman, in order to clarify the record and keep this before us, I would like without objection to have this inserted in the record, if it would be permissible.

Senator JACKSON. Do you want it at this point?

Mr. PENDLETON. Yes.

Senator JACKSON. Without objection, at this point the statement of Mrs. Smith which includes the statement from the Secretary of Defense, Thomas S. Gates, Jr., appearing on page 5425 of the Congressional Record of March 17, 1960, will be put in the record.

(The statement referred to follows:)

PREPAREDNESS AGAINST COMMUNIST THREAT

Mrs. SMITH. Mr. President, yesterday the Secretary of Defense appeared before the Senate Preparedness Investigating Subcommittee and made a statement which I feel should be brought to the attention not only of every Member of Congress but of every American. Consequently, I ask unanimous consent that it be printed in the body of the Record, and I invite everyone to read and study it.

There being no objection, the statement was ordered to be printed in the Record, as follows:

"STATEMENT BY THE SECRETARY OF DEFENSE, THOMAS S. GATES, JR., BEFORE THE PREPAREDNESS INVESTIGATING SUBCOMMITTEE OF THE SENATE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES, MARCH 16, 1960

"Mr. Chairman, I have a short statement. The major threat confronting us today is the persistent and relentless drive of communism toward an unchanged goal—a Communist controlled world. This threat is real and formidable. It encompasses all fields of human endeavor. It is military, political, economic, and psychological.

"It is important that we keep this complex threat in perspective. To do so we must examine each part in relationship to the whole.

"By the same token we must examine our own capabilities in the same manner. In the military field we must consider the entire picture and not an isolated part, regardless of how dramatic that part may be. Our military requirements must be based on our needs and consistent with national objectives. The Communist military requirements are vastly different. That is one reason we do not need to match the Communists bomber for bomber, missile for missile, division for division, or submarine for submarine.

"We need military strength which will convince the Communist leadership that no matter how hard it strikes it will be hit back so hard that its structure will collapse. An aggressor's destruction must be so inevitable that initiating war is tantamount to suicide. That strength I believe we have now, and our defense programs are designed to maintain this strength. This conviction is shared by my principal military and scientific advisers.

"First. Some of the facts which support this judgment are:

"(a) Our total strength, widely deployed within the United States and around the periphery of a single strategic target area, is so great that any surprise attack upon us would result in unacceptable destruction to the attacker. Contributing to this deterrent are tactical fighter bombers and light bombers plus tactical missiles and carrier attack aircraft in addition to the weapons of the Strategic Air Command.

"(b) The establishment of early warning systems, the capability for an airborne alert at the time and on the scale needed, and the deployment of mobile, hardened, and concealed missiles are progressing as planned. Our defense programs are under continuous review to insure that we maintain a long-range program of military strength. For example, we are accelerating the second BMEWS station to bring it into operation 4 months ahead of schedule.

"(c) Funds are included in the 1960 and 1961 budgets to provide an airborne alert capability for our heavy bombers. The extent of this effort is substantial: \$142 million will be obligated this year and \$85 million next year. This entails the procurement of extra engines and spare parts and the training of crews so that an airborne alert can be mounted if and when the need should arise. The Joint Chiefs of Staff and I agree that we do not need to fly airborne alert now but we do need the capability to do so during periods of tension which may lie ahead. The Congress has assisted this program by enacting section 612(b) in the 1960 Defense Appropriations Act which authorizes the incurring of deficiencies for this purpose. We are requesting reenacting of this provision in the 1961 act.

"(d) The intercontinental missile is a new and vitally important weapon that will profoundly affect the character of our problem. However, the threat it poses is not best countered by matching missile for missile. In fact, we must not allow ourselves to overconcentrate on any instrument of war. Rather the solution to our maintaining a valid and effective defense posture is by having in being a variety of types of weapons systems capable of successfully countering all types of threats facing us and our allies.

"Second. We have nuclear weapons that exceed those of the U.S.S.R. by several times in total destructive power. We have long-range means of delivery that exceeds theirs by several times in total carrying capacity. We have, in combination, enough to bring destruction to anyone who attacks us. We are designing our programs to maintain this strength.

"Last year we had available to us the national intelligence estimate which gave us the numbers of operational ICBM's which the U.S.S.R. could achieve or might achieve in various time periods. These were calculated to cover either of two possibilities: One, that the Soviets would pursue a vigorous but orderly ICBM program, and the other, that they would pursue a highly accelerated or crash program.

"A year has now passed. Additional information has been acquired and further refinement has been accomplished. Considering all the available evidence, we believe it is now well established that the U.S.S.R. is not engaged in a crash program for ICBM development.

"Whether we take the estimate of a year ago or the current estimate, it is my firm judgment and that of my military and scientific advisers that our deterrent and retaliatory position remains adequate to meet the threat today and in the years ahead. We do not foresee a time when the Soviets could launch an attack on us without inviting unacceptable damage to themselves in return.

"I should also like to make it clear that neither General Twining nor I have been deprived of essential elements of intelligence, nor do I believe that our testimony indicates that we have been deprived of such essential elements.

"The flow of intelligence information and its assessment by the intelligence experts is a continuous process. General Twining and I are kept constantly informed on important developments in this area.

"Because they started much earlier and stayed persistently with the same program, the U.S.S.R. has booster engines, making possible exploration in deep space. Meanwhile, our Nation has had to telescope time in this effort. The lost years cannot be regained overnight, even though our scientists and engineers have worked wonders. For the years immediately ahead, it is important that we clearly differentiate space exploration from military weapons systems. At present the Department of Defense has no specific military requirements for so-called superboosters. We are vitally interested in the development of larger boosters, because the future may well bring specific military requirements for them. Our

military satellite program is progressing as a matter of priority and is well supported by the propulsion systems of our ballistic missiles.

"Mr. Chairman, we are continuously reviewing our programs. We will not hesitate to come back to the Congress for additional funds at any time we feel such funds are required. We will not hesitate to take emergency measures. As of this time, I am convinced that we are on a sound basis and have presented a properly balanced concept. We will continue to plan and to change as necessary. We must always remain superior in total power. Along with the President, I am convinced that we will."

Mr. PENDLETON. Dr. Baxter, who appeared before this committee at an earlier session, made the following statement in regard to preparedness. He said:

I believe that at the present moment SAC, plus our nuclear strength overseas, plus our seaborne nuclear strength in the two fleets that we have on the ocean with it, is an adequate deterrent.

He said:

I would like to express my conviction, as vigorously as my friend Mr. Sprague did, that the United States today has a great military superiority over the Russians.

Do you disagree with this conclusion?

Dr. PERKINS. I don't think it is completely descriptive. Dr. Baxter is an eminent friend, and I think it is perfectly true that we have an enormous and very strong deterrent capability. I would be concerned with whether or not that ability is properly protected currently against an early strike or first strike capability of the Russians. You can have an enormous capability in being, but it must get off the ground. That capability may be in serious jeopardy if it is not properly sheltered or protected or dispersed against a surprise attack. This is an area in which technicians differ, if I read the public testimony of General Powers and others correctly. There are those in the Air Force who do not feel that this deterrent capability at the moment is properly dispersed or properly sheltered from the possibility of a Russian surprise attack.

Mr. PENDLETON. Now, do you feel that the successful launching of Pioneer V, Tiros, and Transit represent a substantial achievement of the scientific community of the United States?

Dr. PERKINS. Indeed it does.

Mr. PENDLETON. The last question is this: Do you believe that the Federal Government should rely for its scientific research primarily on outside resources or on scientific advice from within the Government?

Dr. PERKINS. I think it is always going to have to be both. I don't know what the percentages are, but I believe in the space field, roughly about 20 percent of its scientific resources are drawn from Government laboratories, and the remainder from industry and a small fraction from the universities.

Mr. PENDLETON. Thank you, Mr. Chairman.

Senator JACKSON. Just to follow up the question that Mr. Pendleton put to you, regarding our present deterrent capability, the witnesses at our previous meetings, four outstanding witnesses that we had, were in general agreement that we have the present deterrent capability, and I think that the point that you made is that it is not what you have before a first strike, it is what you will have after a first strike. That is the important thing.

Dr. PERKINS. Yes, sir.

Senator JACKSON. But there is another point that is significant, and Mr. Sprague in particular emphasized this. He felt that as to the future we were not doing enough, and that we were capable of doing more.

Now, isn't this the real problem, Dr. Perkins? It is not just what we have now, but will we have this survivable deterrent force next year, in 1962, or 1963, 1964? Must we not make sure that our resources are dedicated to that objective?

Dr. PERKINS. I could not agree more, Senator. I am told that we are in for a very critical set of years between now and, let us say, 1962, or 1963. The much advertised missile gap comes in there. We are told that there will be a large number of Russian intercontinental ballistics missiles in position and operational, or at least a larger number than we are likely to have.

But when you look to the future, this is an unstable world, Senator, and the difficulty is that as we increase our capabilities to defend ourselves from aggressive capabilities of potential enemies, we are by that same move increasing the instability derived from foreign fears of our own power.

I am terribly afraid, sir, that the instabilities are built into this system by the development of high-powered automatic response systems and in the instability of today is going to be infinitely worse within the next decade as we move from two-power deterrent systems to the spread of these weapons to other powers.

I don't think that we have even started to look hard at what kind of a strategic deterrent system the United States ought to have, if eight powers, for example, all possess ICBM's, with hydrogen warheads capable of flying 5,000 miles. In short, I think the time ahead of us is an unstable one indeed.

Senator JACKSON. I was interested in that statement, because in our earlier hearings Mr. Sprague made this statement:

Advancing military technology is rapidly precipitating us into an unstable security position. Problems we now face and will increasingly face in the years ahead make it important that some significant changes be made in our organization for security.

Dr. PERKINS. I associate myself with that statement, and if a further authoritative voice is needed on this point, I recommend for those who have not read it a brilliant article by a RAND officer by the name of Wohlstetter. It was a piece that came out in Foreign Affairs just last year, called, "The Delicate Balance of Terror." This piece, if it is not in your records somewhere, should be, Senator, because I think that this is an important analysis that we have built-in instabilities in the the deterrent picture we now have.

Senator JACKSON. If there is no objection, maybe you would like to include that statement in the record.

Dr. PERKINS. I would like very much to see that piece put in at the conclusion of my remarks. (See p. 268.)

Senator JACKSON. You have an article that you wrote in 1953, in this general area.

Dr. PERKINS. Modesty prevents me from pushing this on you, Senator.

Senator JACKSON. If there is no objection, that will be included with the other article. What is the title of it?

Dr. PERKINS. The title is "The Administration of the National Security Program," written in 1953.

Senator JACKSON. Without objection, that will be included in the record. (See p. 281.)

Senator JACKSON. Senator Robertson asked you—and I take it that you have not changed your views since you served on the Gaither Committee—about our overall national security requirements.

Dr. PERKINS. I have no reason to, sir.

Senator JACKSON. On this point I want to ask you what reflections you might have on the value and the proper use of distinguished citizens' committees. Would you care to comment on that subject?

You have served on the Gaither Committee.

Dr. PERKINS. Well, I think that, like all things, there is a plus and a minus to them. Let me deal with the plus first. I don't think that they were designed for this purpose, but they have been a way of bringing into the discourse of very important matters in the field of national security a wide band of citizens who otherwise would not have had a chance to become familiar and concerned with these problems. In short, I think it has been a device for public education, if I can use that word, by which we have seen to it that a large number of people in private life have for at least a short space of time had a very thorough grounding in some of the central problems of national security.

Now, I think in our kind of a country this has been all to the good. It has been, of course, one of the stickiest issues we have as to how matters that have to go on protected by such close attention to security, how these matters can be gotten to an informed citizenry.

So I think that the citizens' committee, like the Gaither group and the Draper Committee and others that during the last year have been created to tackle public problems, I think that they have been an enormously important factor as a way of seeing to it that maybe as many as 100 or 200 people who otherwise would have had little chance to come very close to these problems have had that chance.

The difficulty is that they are frequently put together to answer problems or to come up with answers to problems that have not been resolved within the regular system itself. One has to ask—and I think it is proper to ask—what happened in the system that did not produce the kind of answer that was expected of a citizens' committee. Was it that they really wanted some fresh ideas, or was it that the problem was so complicated that the existing machinery did not deal with it, or was it possible that the solution of the problem involved such major and drastic changes in our security programs and allocations of funds that this could only be thought of by bringing in an outside group? So I think that on this particular score there have been important ideas that have come out of these committees. People that have worked on them have almost unanimously come back with strong feelings of increased effort that have had to be made in various parts of our programs. This has been true of the Draper Committee that just finished its labors, and it was true of some of the earlier ones.

Now, the question, sir, and I am sure it must be one on your mind, is how can the conclusions of these citizens' groups have a greater

impact on our established policies. I think there is no easy answer to this, other than the willingness of the managers of the programs themselves or the machinery itself to rethink in fairly radical ways the normal postulates under which they have been operating. There is no system on earth, Senator, or none on earth that I know of, that will force people to make wise decisions. If the managers are really in the market for fresh ideas, and are really prepared to reexamine some of the premises under which they have been operating, then I think that the citizens' group can produce the ideas. Without it is an interesting experience in adult education and an interesting experience for perhaps mobilizing public support for certain programs in the military assistance field, but as far as seeing to it that new ideas get into the actual decisionmaking apparatus, the citizens committee is no better than the people who use them.

Senator JACKSON. Then it does reveal, as you point out, that if the existing machinery in government had been functioning properly, and I say this without criticism of any administration because citizens committees have been used by all administrations, there would be no need for them. Is this a fair statement?

Dr. PERKINS. Only on the part that I mentioned, Senator, there would be no need for it if the system was devised to continually inject new and fresh ideas into existing programs.

Senator JACKSON. That is bringing in consultants and outsiders, and so on.

Dr. PERKINS. Yes, sir.

Senator JACKSON. In your judgment, what has been the record of implementation of these recommendations of the distinguished citizens committee?

Dr. PERKINS. Well, I don't know how far I would be getting into privileged information by answering this.

Senator JACKSON. I mean in general—many specific details are privileged matters. I am merely referring as a general proposition, to distinguished committees in general.

Dr. PERKINS. I would say in general the implementation has been relatively slight.

Senator JACKSON. In other words, a long series of recommendations are made but when it comes down to the actual implementation there has not been a substantial record of implementation of the views expressed and the recommendations made by distinguished citizens committees.

Dr. PERKINS. I would have to add, and I am sure you would agree with me, that because a distinguished citizens committee made a recommendation it is not necessarily a wise thing for the Government to implement it.

Senator JACKSON. I agree, but I am pointing out that these people engage in a lot of work, and hard effort, and I think the citizens who have served on these committees hardly without exception have been distinguished as to their competency to make recommendations in their field.

Dr. PERKINS. That is right.

Senator JACKSON. This is generally true; is it not?

Dr. PERKINS. Yes; it is. Even if no recommendation were ever specifically accepted at all, I would still argue that they be continued as a way of seeing to it that some of our national leaders are brought

within this picture. This might be basis enough alone to proceed with them.

Senator JACKSON. Mr. Reynolds, the staff director of the Government Operations Committee, has called to my attention an article by Senator Hubert Humphrey that appears in the January 1960 issue of the *Annals* in which he makes comments on the committee system, interdepartmental committees. Without objection that statement which was called to my attention by Mr. Reynolds will be placed in the record at this point in connection with the discussion on the subject of the committee system.

Senator Hubert H. Humphrey pointed out, in an article which appeared in the January 1960 issue of the *Annals of the American Academy of Political and Social Science*—

Those who place their reliance on coordinating devices such as interagency committees for improving communications and for providing stimulus to Government science activities fail to recognize the built-in limitations of these approaches. By their very nature interagency committees cannot be creative except at a very low level of operation. They are inevitably restricted by the view of the most pedestrian and unimaginative members. Their product will almost certainly be a kind of lowest common denominator of their combined ideas. What is needed is dynamic, forceful, and continuing leadership which could best come from a Cabinet department with clear-cut responsibility and authority in the field of science and technology.

Mr. PENDLETON. I have just one question. You do feel that the President, the occupant of that position, should make his own policy decisions after receiving advice from his people in Government and outside of the Government?

Dr. PERKINS. Of course.

Mr. PENDLETON. Thank you.

Senator JACKSON. The sole purpose of setting up these committees is to try to make available to the President advice which fulfills the directives given to the distinguished citizens committees by the President himself; is this not true?

Dr. PERKINS. He could not give them power if he wanted to. They would not serve if he gave it to them.

Senator JACKSON. Are there any further questions on that?

If not, the open session of the committee will come to a close, and we will convene in executive session and give Mr. Perkins an opportunity to cover the matter of the National Security Council.

(Whereupon, at 12:25 p.m., the committee proceeded to further business in executive session.)

[From Foreign Affairs, January, 1959]

THE DELICATE BALANCE OF TERROR

By Albert Wohlstetter

The first shock administered by the Soviet launching of sputnik has almost dissipated. The flurry of statements and investigations and improvised responses has died down, leaving a small residue: a slight increase in the schedule of bomber and ballistic missile production, with a resulting small increment in our defense expenditures for the current fiscal year; a considerable enthusiasm for space travel; and some stirrings of interest in the teaching of mathematics and physics in the secondary schools. Western defense policy has almost returned to the level of activity and the emphasis suited to the basic assumptions which were controlling before sputnik.

One of the most important of these assumptions—that a general thermonuclear war is extremely unlikely—is held in common by most of the critics of our defense policy as well as by its proponents. Because of its crucial rôle in

the Western strategy of defense, I should like to examine the stability of the thermonuclear balance which, it is generally supposed, would make aggression irrational or even insane. The balance, I believe, is in fact precarious, and this fact has critical implications for policy. Deterrence in the 1960's is neither assured nor impossible but will be the product of sustained intelligent effort and hard choices, responsibly made. As a major illustration important both for defense and foreign policy, I shall treat the particularly stringent conditions for deterrence which affect forces based close to the enemy, whether they are U.S. forces or those of our allies, under single or joint control. I shall comment also on the inadequacy as well as the necessity of deterrence, on the problem of accidental outbreak of war, and on disarmament.¹

II. THE PRESUMED AUTOMATIC BALANCE

I emphasize that requirements for deterrence are stringent. We have heard so much about the atomic stalemate and the receding probability of war which it has produced that this may strike the reader as something of an exaggeration. Is deterrence a necessary consequence of both sides having a nuclear delivery capability, and is all-out war nearly obsolete? Is mutual extinction the only outcome of a general war? This belief, frequently expressed by references to Mr. Oppenheimer's simile of the two scorpions in a bottle, is perhaps the prevalent one. It is held by a very eminent and diverse group of people—in England by Sir Winston Churchill, P. M. S. Blackett, Sir John Slessor, Admiral Buzzard and many others; in France by such figures as Raymond Aron, General Gallois and General Gazin; in this country by the titular heads of both parties as well as almost all writers on military and foreign affairs, by both Henry Kissinger and his critic, James E. King, Jr., and by George Kennan as well as Dean Acheson. Mr. Kennan refers to American concern about surprise attack as simply obsessive;² and many people have drawn the consequence of the stalemate as has Blackett, who states: "If it is in fact true, as most current opinion holds, that strategic air power has abolished global war, then an urgent problem for the West is to assess how little effort must be put into it to keep global war abolished."³ If peace were founded firmly on mutual terror, and mutual terror on symmetrical nuclear capabilities, this would be, as Churchill has said, "a melancholy paradox;" none the less a most comforting one.

Deterrence, however, is not automatic. While feasible, it will be much harder to achieve in the 1960's than is generally believed. One of the most disturbing features of current opinion is the underestimation of this difficulty. This is due partly to a misconstruction of the technological race as a problem in matching striking forces, partly to a wishful analysis of the Soviet ability to strike first.

Since sputnik, the United States has made several moves to assure the world (that is, the enemy, but more especially our allies and ourselves) that we will match or overmatch Soviet technology and, specifically, Soviet offense technology. We have, for example, accelerated the bomber and ballistic missile programs, in particular the intermediate-range ballistic missiles. The problem has been conceived as more or better bombers—or rockets; or sputniks; or engineers. This has meant confusing deterrence with matching or exceeding the enemy's ability to strike first. Matching weapons, however, misconstrues the nature of the technological race. Not, as is frequently said, because only a few bombs owned by the defender can make aggression fruitless, but because even many might not. One outmoded A-bomb dropped from an obsolete bomber might destroy a great many supersonic jets and ballistic missiles. To deter an attack means being able to strike back in spite of it. It means, in other words, a capability to strike second. In the last year or two there has been a growing awareness of the importance of the distinction between a "strike-first" and a "strike-second" capability, but little, if any, recognition of the implications of this distinction for the balance of terror theory.

Where the published writings have not simply underestimated Soviet capabilities and the advantages of a first strike, they have in general placed artificial constraints on the Soviet use of the capabilities attributed to them. They as-

¹ I want to thank C. J. Hitch, M. W. Hoag, W. W. Kaufman, A. W. Marshall, H. S. Rowen, and W. W. Taylor for suggestions in preparation of this article.

² George F. Kennan, "A Chance to Withdraw Our Troops in Europe," *Harper's Magazine*, February 1958, p. 41.

³ P. M. S. Blackett, "Atomic Weapons and East-West Relations" (New York: Cambridge University Press, 1956), p. 82.

sume, for example, that the enemy will attack in mass over the Arctic through our Distant Early Warning line, with bombers refueled over Canada—all resulting in plenty of warning. Most hopefully, it is sometimes assumed that such attacks will be preceded by days of visible preparations for moving ground troops. Such assumptions suggest that the Soviet leaders will be rather bumbling or, better, cooperative. However attractive it may be for us to narrow Soviet alternatives to these, they would be low in the order of preference of any reasonable Russians planning war.

III. THE QUANTITATIVE NATURE OF THE PROBLEM AND THE UNCERTAINTIES

In treating Soviet strategies it is important to consider Soviet rather than Western advantage and to consider the strategy of both sides quantitatively. The effectiveness of our own choices will depend on a most complex numerical interaction of Soviet and Western plans. Unfortunately, both the privileged and unprivileged information on these matters is precarious. As a result, competent people have been led into critical error in evaluating the prospects for deterrence. Western journalists have greatly overestimated the difficulties of a Soviet surprise attack with thermonuclear weapons and vastly underestimated the complexities of the Western problem of retaliation.

One intelligent commentator, Richard Rovere, recently expressed the common view: "If the Russians had ten thousand war heads and a missile for each, and we had ten hydrogen bombs and ten obsolete bombers, . . . aggression would still be a folly that would appeal only to an insane adventurer." Mr. Rovere's example is plausible because it assumes implicitly that the defender's hydrogen bombs will with certainty be visited on the aggressor; then the damage done by the ten bombs seems terrible enough for deterrence, and any more would be simply redundant. This is the basis for the common view. The example raises questions, even assuming the delivery of the ten weapons. For instance, the targets aimed at in retaliation might be sheltered and a quite modest civil defense could hold within tolerable limits the damage done to such city targets by ten delivered bombs. But the essential point is that the weapons would not be very likely to reach their targets. Even if the bombers were dispersed at ten different points, and protected by shelters so blast resistant as to stand up anywhere outside the lip of the bomb crater—even inside the fire ball itself—the chances of one of these bombers surviving the huge attack directed at it would be on the order of one in a million. (This calculation takes account of the unreliability and inaccuracy of the missile.) And the damage done by the small minority of these ten planes that might be in the air at the time of the attack, armed and ready to run the gauntlet of an alert air defense system, if not zero, would be very small indeed compared to damage that Russia has suffered in the past. For Mr. Rovere, like many other writers on this subject, numerical superiority is not important at all.

For Joseph Alsop, on the other hand, it is important, but the superiority is on our side. Mr. Alsop recently enunciated as one of the four rules of nuclear war: "The aggressor's problem is astronomically difficult; and the aggressor requires an overwhelming superiority of force."⁴ There are, he believes, no fewer than 400 SAC bases in the NATO nations alone and many more elsewhere, all of which would have to be attacked in a very short space of time. The "thousands of coordinated air sorties and/or missile firings," he concludes, are not feasible. Mr. Alsop's argument is numerical and has the virtue of demonstrating that at least the realtive numbers are important. But the numbers he uses are very wide of the mark. He overestimates the number of such bases by a factor of more than 10,⁵ and in any case, missile firings on the scale of a thousand or more involve costs that are by no means out of proportion, given the strategic budgets of the great powers. Whether or not thousands are needed depends on the yield and the accuracy of the enemy missiles, something about which it would be a great mistake for us to display confidence.

Perhaps the first step in dispelling the nearly universal optimism about the stability of deterrence would be to recognize the difficulties in analyzing the uncertainties and interactions between our own wide range of choices and the moves open to the Soviets. On our side we must consider an enormous variety

⁴ Joseph Alsop, "The New Balance of Power," *Encounter*, May 1958, p. 4. It should be added that, since these lines were written, Mr. Alsop's views have altered.

⁵ *The New York Times*, September 6, 1958, p. 2.

of strategic weapons which might compose our force, and for each of these several alternative methods of basing and operation. These are the choices that determine whether a weapons system will have any genuine capability in the realistic circumstances of a war. Besides the B-47E and the B-52 bombers which are in the U.S. strategic force now, alternatives will include the B-52G (a longer-range version of the B-52); the Mach 2 B-58A bomber and a "growth" version of it; the Mach 3 B-70 bomber; a nuclear-powered bomber possibly carrying long-range air-to-surface missiles; the Dynasoar, a manner glide-rocket; the Thor and the Jupiter, liquid-fueled intermediate-range ballistic missiles; the Snark intercontinental cruise missile; the Atlas and the Titan intercontinental ballistic missiles; the submarine-launched Polaris and Atlantis rockets; and Minuteman, one potential solid-fueled successor to the Thor and Titan; possibly unmanned bombardment satellites; and many others which are not yet gleams in anyone's eye and some that are just that.

The difficulty of describing in a brief article the best mixture of weapons for the long-term future beginning in 1960, their base requirements, their potentiality for stabilizing or upsetting the balance among the great powers, and their implications for the alliance, is not just a matter of space or the constraint of security. The difficulty in fact stems from some rather basic insecurities. These matters are widely uncertain; we are talking about weapons and vehicles that are some time off and, even if the precise performances currently hoped for and claimed by contractors were in the public domain, it would be a good idea to doubt them.

Recently some of my colleagues picked their way through the graveyard of early claims about various missiles and aircraft: their dates of availability, costs and performance. These claims are seldom revisited or talked about: *de mortuis nil nisi bonum*. The errors were large and almost always in one direction. And the less we knew, the more hopeful we were. Accordingly the missiles benefited in particular. For example, the estimated cost of one missile increased by a factor of over 50—from about \$35,000 in 1949 to some \$2 million in 1957. This uncertainty is critical. Some but not all of the systems listed can be chosen and the problem of choice is essentially quantitative. The complexities of the problem, if they were more widely understood, would discourage the oracular confidence of writers on the subject of deterrence.

Some of the complexities can be suggested by referring to the successive obstacles to be hurdled by any system providing a capability to strike second, that is, to strike back. Such deterrent systems must have (a) a stable, "steady-state" peacetime operation within feasible budgets (besides the logistic and operational costs there are, for example, problems of false alarms and accidents). They must have also the ability (b) to survive enemy attacks, (c) to make and communicate the decision to retaliate, (d) to reach enemy territory with fuel enough to complete their mission, (e) to penetrate enemy active defenses, that is, fighters and surface-to-air missiles, and (f) to destroy the target in spite of any "passive" civil defense in the form of dispersal or protective construction or evacuation of the target itself.

Within limits the enemy is free to use his offensive and defensive forces so as to exploit the weaknesses of each of our systems. He will also be free, within limits, in the 1960s to choose that composition of forces which will make life as difficult as possible for the various systems we might select. It would be quite wrong to assume that we have the same degree of flexibility, or that the uncertainties I have described affect a totalitarian aggressor and the party attacked equally. A totalitarian country can preserve secrecy about the capabilities and disposition of his forces very much better than a Western democracy. And the aggressor has, among other enormous advantages of the first strike, the ability to weigh continually our performance at each of the six barriers and to choose that precise time and circumstance for attack which will reduce uncertainty. It is important not to confuse our uncertainty with his. Strangely enough, some military commentators have not made this distinction and have founded their certainty of deterrence on the fact simply that there are uncertainties.

Unwarranted optimism is displayed not only in the writings of journalists but in the more analytic writings of professionals. The recent writings of General Gallois* parallel rather closely Mr. Alsop's faulty numerical proof that sur-

* General Pierre M. Gallois, "A French General Analyzes Nuclear-Age Strategy," *Réalités*, Nov. 1958, p. 19; "Nuclear Aggression and National Suicide," *The Reporter*, Sept. 18, 1958, p. 23.

prise attack is astronomically difficult—except that Gallois' "simple arithmetic," to borrow his own phrase, turns essentially on some assumptions which are at once inexplicit and extremely optimistic with respect to the blast resistance of dispersal missile sites subjected to attack from relatively close range.⁷ Mr. Blackett's recent book, "Atomic Weapons and East-West Relations," illustrates the hazards confronting a most able analyst in dealing with the piecemeal information available to the general public. Mr. Blackett, a Nobel prize-winning physicist with wartime experience in military operations research, lucidly summarized the public information available when he was writing in 1956 on weapons for all-out war. But much of his analysis was based on the assumption that H-bombs could not be made small enough to be carried in an intercontinental missile. It is now widely known that intercontinental ballistic missiles will have hydrogen warheads, and this fact, a secret at the time, invalidates, Mr. Blackett's calculations and, I might say, much of his optimism on the stability of the balance of terror. In sum, one of the serious obstacles to any widespread rational judgment on these matters of high policy is that critical elements of the problem *have* to be protected by secrecy. However, some of the principal conclusions about deterrence in the early 1960s can be fairly firmly based, and based on public information.

IV. THE DELICACY OF THE BALANCE OF TERROR

The most important conclusion is that we must expect a vast increase in the weight of attack which the Soviets can deliver with little warning, and the growth of a significant Russian capability for an essentially warningless attack. As a result, strategic deterrence, while feasible, will be extremely difficult to achieve, and at critical junctures in the 1960s, we may not have the power to deter attack. Whether we have it or not will depend on some difficult strategic choices as to the future composition of the deterrent forces as well as hard choices on its basing, operations and defense.

Manned bombers will continue to make up the predominant part of our striking force in the early 1960s. None of the popular remedies for their defense will suffice—not, for example, mere increase of alertness (which will be offset by the Soviet's increasing capability for attack without significant warning), nor simple dispersal or sheltering alone or mobility taken by itself, nor a mere piling up of interceptors and defense missiles around SAC bases. Especially extravagant expectations have been placed on the airborne alert—an extreme form of defense by mobility. The impression is rather widespread that one-third of the SAC bombers are in the air and ready for combat at all times.⁸ This belief is belied by the public record. According to the Symington Committee Hearings in 1956, our bombers averaged 31 hours of flying per month, which is about 4 percent of the average 732-hour month. An Air Force representative expressed the hope that within a couple of years, with an increase in the ratio of crews to aircraft, the bombers would reach 45 hours of flight per month—which is 6 percent. This 4 to 6 percent of the force includes bombers partially fueled and without bombs. It is, moreover, only an average, admitting variance down as well as up. Some increase in the number of armed bombers aloft is to be expected. However, for the current generation of bombers, which have been designed for speed and range rather than endurance, a continuous air patrol for one-third of the force would be extremely expensive.

On the other hand, it would be unwise to look for miracles in the new weapons systems, which by the mid-1960s may constitute a considerable portion of the United States force. After the Thor, Atlas and Titan there are a number of promising developments. The solid-fueled rockets, Minuteman and Polaris, promise in particular to be extremely significant components of the deterrent force. Today they are being touted as making the problem of deterrence easy to solve and, in fact, guaranteeing its solution. But none of the new developments in vehicles is likely to do that. For the complex job of deterrence, they all have limitations. The unvaryingly immoderate claims for each new weapons system should make us wary of the latest "technological breakthroughs." Only a very short time ago the ballistic missile itself was supposed to be intrinsically

⁷ See footnote, p. 278.

⁸ See, for example, "NATO, A Critical Appraisal," by Gardner Patterson and Edgar S. Furniss, Jr., Princeton University Conference on NATO, Princeton, June 1957, p. 32: "Although no one pretended to know, the hypothesis that one-third of the striking force of the United States Strategic Air Command was in the air at all times was regarded by most as reasonable."

invulnerable on the ground. It is now more generally understood that its survival is likely to depend on a variety of choices in its defense.

It is hard to talk with confidence about the mid and late-1960s. A systematic study of an optimal or a good deterrent force which considered all the major factors affecting choice and dealt adequately with the uncertainties would be a formidable task. In lieu of this, I shall mention briefly why none of the many systems available or projected dominates the others in any obvious way. My comments will take the form of a swift run-through of the characteristic advantages and disadvantages of various strategic systems at each of the six successive hurdles mentioned earlier.

The first hurdle to be surmounted is the attainment of a stable, steady-state peacetime operation. Systems which depend for their survival on extreme decentralization of controls, as may be the case with large-scale dispersal and some of the mobile weapons, raise problems of accidents and over a long period of peacetime operation this leads in turn to serious political problems. Systems relying on extensive movement by land, perhaps by truck caravan, are an obvious example; the introduction of these on European roads, as is sometimes suggested, would raise grave questions for the governments of some of our allies. Any extensive increase in the armed air alert will increase the hazard of accident and intensify the concern already expressed among our allies. Some of the proposals for bombardment satellites may involve such hazards of unintended bomb release as to make them out of the question.

The cost to buy and operate various weapons systems must be seriously considered. Some systems buy their ability to negotiate a given hurdle—say, surviving the enemy attack—only at prohibitive cost. Then the number that can be bought out of a given budget will be small and this will affect the relative performance of competing systems at various other hurdles, for example penetrating enemy defenses. Some of the relevant cost comparisons, then, are between competing systems; others concern the extra costs to the enemy of canceling an additional expenditure of our own. For example, some dispersal is essential, though usually it is expensive; if the dispersed bases are within a warning net, dispersal can help to provide warning against some sorts of attack, since it forces the attacker to increase the size of his raid and so makes it more liable to detection as well as somewhat harder to coordinate. But as the sole or principal defense of our offensive force, dispersal has only a brief useful life and can be justified financially only up to a point. For against our costs of construction, maintenance, and operation of an additional base must be set the enemy's much lower costs of delivering one extra weapon. And, in general, any feasible degree of dispersal leaves a considerable concentration of value at a single target point. For example, a squadron of heavy bombers costing, with their associated tankers and penetration aids, perhaps \$500,000,000 over five years, might be eliminated, if it were otherwise unprotected, by an enemy intercontinental ballistic missile costing perhaps \$16,000,000. After making allowance for the unreliability and inaccuracy of the missile, this means a ratio of some ten for one or better. To achieve safety by *brute* numbers in so unfavorable a competition is not likely to be viable economically or politically. However, a viable peacetime operation is only the first hurdle to be surmounted.

At the second hurdle—surviving the enemy offense—ground alert systems placed deep within a warning net look good against a manned bomber attack, much less good against intercontinental ballistic missiles, and not good at all against ballistic missiles launched from the sea. In the last case, systems such as the Minuteman, which may be sheltered and dispersed as well as alert, would do well. Systems involving launching platforms which are mobile and concealed, such as Polaris submarines, have particular advantage for surviving an enemy offense.

However, there is a third hurdle to be surmounted—namely that of making the decision to retaliate and communicating it. Here, Polaris, the combat air patrol of B-52s, and in fact all of the mobile platforms—under water, on the surface, in the air and above the air—have severe problems. Long distance communication may be jammed and, most important, communication centers may be destroyed.

At the fourth hurdle—ability to reach enemy territory with fuel enough to complete the mission—several of our short-legged systems have operational problems such as coordination with tankers and using bases close to the enemy. For a good many years to come, up to the mid-1960's in fact, this will be a formidable hurdle for the greater part of our deterrent force. The next section of this article deals with this problem at some length.

The fifth hurdle is the aggressor's long-range interceptors and close-in missile defenses. To get past these might require large numbers of planes and missiles. (If the high cost of overcoming an earlier obstacle—using extreme dispersal or airborne alert or the like—limits the number of planes or missiles bought, our capability is likely to be penalized disproportionately here.) Or getting through may involve carrying heavy loads of radar decoys, electronic jammers and other aids to defense penetration. For example, vehicles like Minuteman and Polaris, which were made small to facilitate dispersal or mobility, may suffer here because they can carry fewer penetration aids.

At the final hurdle—destroying the target in spite of the passive defenses that may protect it—low-payload and low-accuracy systems, such as Minuteman and Polaris, may be frustrated by blast-resistant shelters. For example, five half-megaton weapons with an average inaccuracy of two miles might be expected to destroy half the population of a city of 900,000, spread over 40 square miles, provided the inhabitants are without shelters. But if they are provided with shelters capable of resisting over-pressures of 100 pounds per square inch, approximately 60 such weapons would be required; and deep rock shelters might force the total up to over a thousand.

Prizes for a retaliatory capability are not distributed for getting over one of these jumps. A system must get over all six. I hope these illustrations will suggest that assuring ourselves the power to strike back after a massive thermonuclear surprise attack is by no means as automatic as is widely believed.

In counteracting the general optimism as to the ease and, in fact, the inevitability of deterrence, I should like to avoid creating the extreme opposite impression. Deterrence demands hard, continuing, intelligent work, but it can be achieved. The job of deterring rational attack by guaranteeing great damage to an aggressor is, for example, very much less difficult than erecting a nearly airtight defense of cities in the face of full-scale thermonuclear surprise attack. Protecting manned bombers and missiles is much easier because they may be dispersed, sheltered or kept mobile, and they can respond to warning with greater speed. Mixtures of these and other defenses with complementary strengths can preserve a powerful remainder after attack. Obviously not all our bombers and missiles need to survive in order to fulfill their mission. To preserve the majority of our cities intact in the face of surprise attack is immensely more difficult, if not impossible. (This does not mean that the aggressor has the same problem in preserving his cities from retaliation by a poorly-protected, badly-damaged force. And it does not mean that *we* should not do more to limit the extent of the catastrophe to our cities in case deterrence fails. I believe *we* should.) Deterrence, however, provided we work at it, is feasible, and, what is more, it is a crucial objective of national policy.

What can be said, then, as to whether general war is unlikely? Would not a general thermonuclear war mean "extinction" for the aggressor as well as the defender? "Extinction" is a state that badly needs analysis. Russian casualties in World War II were more than 20 million. Yet Russia recovered extremely well from this catastrophe. There are several quite plausible circumstances in the future when the Russians might be quite confident of being able to limit damage to considerably less than this number—if they make sensible strategic choices and we do not. On the other hand, the risks of not striking might at some juncture appear very great to the Soviets, involving, for example, disastrous defeat in peripheral war, loss of key satellites with danger of revolt spreading—possibly to Russia itself—or fear of an attack by ourselves. Then, striking first, by surprise, would be the sensible choice for them, and from their point of view the smaller risk.

It should be clear that it is not fruitful to talk about the likelihood of general war without specifying the range of alternatives that are pressing on the aggressor and the strategic postures of both the Soviet bloc and the West. Deterrence is a matter of comparative risks. The balance is not automatic. First, since thermonuclear weapons give an enormous advantage to the aggressor, it takes great ingenuity and realism at any given level of nuclear technology to devise a stable equilibrium. And second, this technology itself is changing with fantastic speed. Deterrence will require an urgent and continuing effort.

V. THE USES AND RISKS OF BASES CLOSE TO THE SOVIETS

It may now be useful to focus attention on the special problems of deterrent forces close to the Soviet Union. First, overseas areas have played an important role in the past and have a continuing though less certain role today.

Second, the recent acceleration of production of intermediate-range ballistic missiles and the negotiation of agreements with various NATO powers for their basing and operation have given our overseas bases a renewed importance in deterring attack on the United States—or so it would appear at first blush. Third, an analysis can throw some light on the problems faced by our allies in developing an independent ability to deter all-out attack on themselves, and in this way it can clarify the much agitated question of nuclear sharing. Finally, overseas bases affect in many critical ways, political and economic as well as military, the status of the alliance.

At the end of the last decade, overseas bases appeared to be an advantageous means of achieving the radius extension needed by our short-legged bombers, of permitting them to use several axes of attack, and of increasing the number of sorties possible in the course of an extended campaign. With the growth of our own thermonuclear stockpile, it became apparent that a long campaign involving many re-uses of a large proportion of our bombers was not likely to be necessary. With the growth of a Russian nuclear-delivery capability, it became clear that this was most unlikely to be feasible.

Our overseas bases now have the disadvantage of high vulnerability. Because they are closer than the United States to the Soviet Union, they are subject to a vastly greater attack by a larger variety as well as number of vehicles. With given resources, the Soviets might deliver on nearby bases a freight of bombs with something like 50 to 100 times the yield that they could muster at intercontinental range. Missile accuracy would more than double. Because there is not much space for obtaining warning—in any case, there are no deep-warning radar nets—and, since most of our overseas bases are close to deep water from which submarines might launch missiles, the warning problem is very much more severe than for bases in the interior of the United States.

As a result, early in the 1950's the U.S. Air Force decided to recall many of our bombers to the continental United States and to use the overseas bases chiefly for refueling, particularly poststrike ground refueling. This reduced drastically the vulnerability of U.S. bombers and at the same time retained many of the advantages of overseas operation. For some years now SAC has been reducing the number of aircraft usually deployed overseas. The purpose is to reduce vulnerability and has little to do with any increasing radius of SAC aircraft. The early B-52 radius is roughly that of the B-36; the B-47, roughly that of the B-50 or B-29. In fact the radius limitation and therefore the basing requirements we have discussed will not change substantially for some time to come. We can talk with comparative confidence here, because the U.S. strategic force is itself largely determined for this period. Such a force changes more slowly than is generally realized. The vast majority of the force will consist of manned bombers, and most of these will be of medium range. Some U.S. bombers will be able to reach *some* targets from *some* U.S. bases within the 48 states without landing on the way back. On the other hand, some bomber-target combinations are not feasible without pre-target landing (and are therefore doubtful). The Atlas, Titan, and Polaris rockets, when available, can of course do without overseas bases (though the proportion of Polaris submarines kept at sea can be made larger by the use of submarine tenders based overseas). But even with the projected force of aerial tankers, the greater part of our force, which will be manned bombers, cannot be used at all in attacks on the Soviet Union without at least some use of overseas areas.

What of the bases for Thor and Jupiter, our first intermediate-range ballistic missiles? These have to be close to the enemy, and they must of course be operating bases, not merely refueling stations. The Thors and Jupiters will be continuously in range of an enormous Soviet potential for surprise attack. These installations therefore re-open, in a most acute form, some of the serious questions of ground vulnerability that were raised about six years ago in connection with our overseas bomber bases. The decision to station the Thor and Jupiter missiles overseas has been our principal public response to the Russian advances in rocketry, and perhaps our most plausible response. Because it involves our ballistic missiles it appears directly to answer the Russian rockets. Because it involves using European bases, it appears to make up for the range superiority of the Russian intercontinental missile. And most important, it directly involves the NATO powers and gives them an element of control.

There is no question that it was genuinely urgent not only to meet the Russian threat but to do so visibly, in order to save the loosening NATO alliance. Our allies were fearful that the Soviet ballistic missiles might mean that we were

no longer able or willing to retaliate against the Soviet Union in case of an attack on them. We hastened to make public a reaction which would restore their confidence. This move surely appears to increase our own power to strike back, and also to give our allies a deterrent of their own, independent of our decision. It has also been argued that in this respect it merely advances the inevitable date at which our allies will acquire "modern" weapons of their own, and that it widens the range of Soviet challenges which Europe can meet. But we must face seriously the question whether this move will in fact assure either the ability to retaliate or the decision to attempt it, on the part of our allies or ourselves. And we should ask at the very least whether further expansion of this policy will buy as much retaliatory power as other ways of spending the considerable sums involved. Finally, it is important to be clear whether the Thor and Jupiter actually increase the flexibility or range of response available to our allies.

One justification for this move is that it disperses retaliatory weapons and that this is the most effective sanction against the thermonuclear aggressor. The limitations of dispersal have already been discussed, but it remains to examine the argument that overseas bases provide *widespread* dispersal, which imposes on the aggressor insoluble problems of coordination.

There is of course something in the notion that forcing the enemy to attack many political entities increases the seriousness of his decision, but there is very little in the notion that dispersal in several countries makes the problem of destruction more difficult in the military sense. Dispersal does not require separation by the distance of oceans—just by the lethal diameters of enemy bombs. And the task of coordinating bomber attacks on Europe and the eastern coast of the United States, say, is not appreciably more difficult than coordinating attacks on our east and west coasts. In the case of ballistic missiles, the elapsed time from firing to impact on the target can be calculated with high accuracy. Although there will be some failures and delays, times of firing can be arranged so that impact on many dispersed points is almost simultaneous—on Okinawa and the United Kingdom, for instance, as well as on California and Ohio. Moreover, it is important to keep in mind that these far-flung bases, while distant from each other and from the United States, are on the whole close to the enemy. To eliminate them, therefore, requires a smaller expenditure of resources on his part than targets at intercontinental range. For close-in targets he can use a wider variety of weapons carrying larger payloads and with higher accuracy.

The seeming appositeness of an overseas-based Thor and Jupiter as an answer to a Russian intercontinental ballistic missile stems not so much from any careful analysis of their retaliatory power under attack as from the directness of the comparison they suggest: a rocket equals a rocket, an intercontinental missile equals an intermediate-range missile based at closer range to the target. But this again mistakes the nature of the technological race. It conceives the problem of deterrence as that of simply matching or exceeding the aggressor's capability to strike first. A surprising proportion of the debate on defense policy has betrayed this confusion. Matching technological developments are useful for prestige, and such demonstrations have a vital function in preserving the alliance and in reassuring the neutral powers. But propaganda is not enough. The only reasonably certain way of maintaining a reputation for strength is to display an actual power to our friends as well as our enemies. We should ask, then, whether further expansion of the current programs for basing Thor and Jupiter is an efficient way to increase American retaliatory power. If overseas bases are considered too vulnerable for manned bombers, will not the same be true for missiles?

The basis for the hopeful impression that they will not is rather vague, including a mixture of hypothetical properties of ballistic missiles in which perhaps the dominant element is their supposedly much more rapid, "push-button" response. What needs to be considered here are the response time of such missiles (including decision, preparation and launch times), and how they are to be defended.

The decision to fire a missile with a thermonuclear warhead is much harder to make than a decision simply to start a manned aircraft on its way, with orders to return to base unless instructed to continue to its assigned target. This is the "fail-safe" procedure practised by the U.S. Air Force. In contrast, once a missile is launched, there is no method or recall or deflection which is not subject to risks of electronic or mechanical failure. Therefore such a deci-

sion must wait for much more unambiguous evidence of enemy intentions. It must and will take a longer time to make and is less likely to be made at all. Where more than one country is involved, the joint decision is harder still, since there is opportunity to disagree about the ambiguity of the evidence, as well as to reach quite different interpretations of national interest. On much less momentous matters the process of making decisions in NATO is complicated, and it should be recognized that such complexity has much to do with the genuine concern of the various NATO powers about the danger of accidentally starting World War III. Such fears will not be diminished with the advent of I.R.B.M.s. In fact, widespread dispersion of nuclear armed missiles raises measurably the possibility of accidental war.

Second, it is quite erroneous to suppose that by contrast with manned bombers the first I.R.B.M.s can be launched almost as simply as pressing a button. Count-down procedures for early missiles are liable to interruption, and the characteristics of the liquid oxygen fuel limits the readiness of their response. Unlike JP-4, the fuel used in jet bombers, liquid oxygen cannot be held for long periods of time in these vehicles. In this respect such missiles will be *less* ready than alert bombers. Third, the smaller warning time available overseas makes more difficult any response. This includes, in particular, any active defense, not only against ballistic missile attacks but, for example, against low altitude or various circuitous attacks by manned aircraft.

Finally, passive defense by means of shelter is more difficult, given the larger bomb yields, better accuracies and larger forces available to the Russians at such close range. And if the press reports are correct, the plans for I.R.B.M. installations do not call for bomb-resistant shelters. If this is so, it should be taken into account in measuring the actual contribution of these installations to the West's retaliatory power. Viewed as a contribution to deterring all-out attack on the United States, the Thor and Jupiter bases seem unlikely to compare favorably with other alternatives. If newspaper references to hard bargaining by some of our future hosts are to be believed, it would seem that such negotiations have been conducted under misapprehensions on both sides as to the benefits to the United States.

But many proponents of the distribution of Thor and Jupiter—and possibly some of our allies—have in mind not an increase in U.S. deterrence but the development of an independent capability in several of the NATO countries to deter all-out attack against themselves. This would be a useful thing if it can be managed at supportable cost and if it does not entail the sacrifice of even more critical measures of protection. But aside from the special problems of joint control, which would affect the certainty of response adversely, precisely who their legal owner is will not affect the retaliatory power of the Thors and Jupiters one way or the other. They would not be able to deter an attack which they could not survive. It is curious that many who question the utility of American overseas bases (for example, our bomber bases in the United Kingdom) simply assume that, for our allies, possession of strategic nuclear weapons is one with deterrence.

There remains the view that the provision of these weapons will broaden the range of response open to our allies. In so far as this view rests on the belief that the intermediate-range ballistic missile is adapted to limited war, it is wide of the mark. The inaccuracy of an I.R.B.M. requires high-yield warheads, and such a combination of inaccuracy and high yield, while quite appropriate and adequate against unprotected targets in a general war, would scarcely come within even the most lax, in fact reckless, definition of limited war. Such a weapon is inappropriate for even the nuclear variety of limited war, and it is totally useless for meeting the wide variety of provocation that is well below the threshold of nuclear response. In so far as these missiles will be costly for our allies to install, operate and support, they are likely to displace a conventional capability that might be genuinely useful in limited engagements. More important, they are likely to be used as an excuse for budget cutting. In this way they will accelerate the general trend toward dependence on all-out response and so will have the opposite effect to the one claimed.

Nevertheless, if the Thor and Jupiter have these defects, might not some future weapon be free of them? Some of these defects, of course, will be overcome in time. Solid fuels or storable liquids will eventually replace liquid oxygen, reliabilities will increase, various forms of mobility or portability will become feasible, accuracies may even be so improved that such weapons can be used in limited wars. But these developments are all years away. In consequence, the

discussion will be advanced if a little more precision is given such terms as "missiles" or "modern" or "advanced weapons." We are not distributing a generic "modern" weapon with all the virtues of flexibility in varying circumstances and of invulnerability in all-out war. But even with advances in the state of the art on our side, it will remain difficult to maintain a deterrent, especially close in under the enemy's guns.

It follows that, though a wider distribution of nuclear weapons may be inevitable, or at any rate likely, and though some countries in addition to the Soviet Union and the United States may even develop an independent deterrent, it is by no means inevitable or even very likely that the power to deter all-out thermonuclear attack will be widespread. This is true even though a minor power would not need to guarantee as large a retaliation as we in order to deter attack on itself. Unfortunately, the minor powers have smaller resources as well as poorer strategic locations.⁹ Mere membership in the nuclear club might carry with it prestige, as the applicants and nominees expect, but it will be rather expensive, and in time it will be clear that it does not necessarily confer any of the expected privileges enjoyed by the two charter members. The burden of deterring a general war as distinct from limited wars is still likely to be on the United States and therefore, so far as our allies are concerned, on the military alliance.

There is one final consideration. Missiles placed near the enemy, even if they could not retaliate, would have a potent capability for striking first by surprise. And it might not be easy for the enemy to discern their purpose. The existence of such a force might be a considerable provocation and in fact a dangerous one in the sense that it would place a great burden on our deterrent force which more than ever would have to guarantee extreme risks to the attacker—worse than the risks of waiting in the face of this danger. When not coupled with the ability to strike in retaliation, such a capability might suggest—erroneously, to be sure, in the case of the democracies—an intention to strike first. If so, it would tend to provoke rather than to deter general war.

I have dealt here with only one of the functions of overseas bases: their use as a support for the strategic deterrent force. They have a variety of important military, political, and economic rôles which are beyond the scope of this paper. Expenditures in connection with the construction or operation of our bases, for example, are a form of economic aid and, moreover, a form that is rather palatable to the Congress. There are other functions in a central war where their importance may be very considerable and their usefulness in a limited war might be substantial.

Indeed nothing said here should suggest that deterrence is in itself an adequate strategy. The complementary requirements of a sufficient military policy cannot be discussed in detail here. Certainly they include a more serious de-

⁹ General Gallois argues that, while alliances will offer no guarantee, "a small number of bombs and a small number of carriers suffice for a threatened power to protect itself against atomic destruction." (*Réalités*, op. cit., p. 71.) His numerical illustrations give the defender some 400 underground launching sites (*ibid.*, p. 22, and *The Reporter*, op. cit., p. 25) and suggest that their elimination would require between 5,000 and 25,000 missiles—which is "more or less impossible"—and that in any case the aggressor would not survive the fallout from his own weapons. Whether these are large numbers of targets from the standpoint of the aggressor will depend on the accuracy, yield and reliability of offense weapons as well as the resistance of the defender's shelters and a number of other matters not specified in the argument. General Gallois is aware that the expectation of survival depends on distance even in the ballistic missile age and that our allies are not so fortunate in this respect. Close-in missiles have better bomb yields and accuracies. Moreover, manned aircraft—with still better yields and accuracies—can be used by an aggressor here since warning of their approach is very short. Suffice it to say that the numerical advantage General Gallois cites is greatly exaggerated. Furthermore, he exaggerates the destructiveness of the retaliatory blow against the aggressor's cities by the remnants of the defender's missile force—even assuming the aggressor would take no special measures to protect his cities. But particularly for the aggressor—who does not lack warning—a civil defense program can moderate the damage done by a poorly organized attack. Finally, the suggestion that the aggressor would not survive the fall-out from his own weapons is simply in error. The rapid-decay fission products which are the major lethal problem in the locality of a surface burst are not a serious difficulty for the aggressor. The amount of the slow-decay products, strontium-90 and cesium-137, in the atmosphere would rise considerably. If nothing were done to counter it, this might, for example, increase by many times the incidence of such relatively rare diseases as bone cancer and leukemia. However, such a calamity, implying an increase of, say, 20,000 deaths per year for a nation of 200,000,000, is of an entirely different order from the catastrophe involving tens of millions of deaths, which General Gallois contemplates elsewhere. And there are measures that might reduce even this effect drastically. (See the RAND Corporation Report R-322-RC, *Report on a Study of Non-Military Defense*, July 1, 1958.)

velopment of power to meet limited aggression, especially with more advanced conventional weapons than those now available. They also include more energetic provision for active and passive defenses to limit the dimensions of the catastrophe in case deterrence should fail. For example, an economically feasible shelter program might make the difference between 50,000,000 survivors and 120,000,000 survivors.

But it would be a fatal mistake to suppose that because strategic deterrence is inadequate by itself it can be dispensed with. Deterrence is not dispensable. If the picture of the world I have drawn is rather bleak, it could none the less be cataclysmically worse. Suppose both the United States and the Soviet Union had the power to destroy each other's retaliatory forces and society, given the opportunity to administer the opening blow. The situation would then be something like the old-fashioned Western gun duel. It would be extraordinarily risky for one side *not* to attempt to destroy the other, or to delay doing so, since it not only can emerge unscathed by striking first but this is the sole way it can reasonably hope to emerge at all. Evidently such a situation is extremely unstable. On the other hand, if it is clear that the aggressor too will suffer catastrophic damage in the event of his aggression, he then has strong reason not to attack, even though he can administer great damage. A protected retaliatory capability has a stabilizing influence not only in deterring rational attack, but also in offering every inducement to both powers to reduce the chance of accidental war.

The critics who feel that deterrence is "bankrupt" sometimes say that we stress deterrence too much. I believe this is quite wrong if it means that we are devoting too much effort to protect our power to retaliate; but I think it is quite right if it means that we have talked too much of a strategic threat as a substitute for many things it cannot replace.

VI. DETERRENCE, ACCIDENTS AND DISARMAMENT

Up to now I have talked mainly about the problem of deterring general war, of making it improbable that an act of war will be undertaken deliberately, with a clear understanding of the consequences, that is, rationally. That such deterrence will not be easy to maintain in the 1960s simply expresses the proposition that a surprise thermonuclear attack might *not* be an irrational or insane act on the part of the aggressor. A deterrent strategy is aimed at a rational enemy. Without a deterrent, general war is likely. With it, however, war might still occur.

In order to reduce the risk of a rational act of aggression, we are being forced to undertake measures (increased alertness, dispersal, mobility) which, to a significant extent, increase the risk of an irrational or unintentional act of war. The accident problem is serious, and it would be a great mistake to dismiss the recent Soviet charges on this subject as simply part of the war of nerves. In a clear sense the great multiplication and spread of nuclear arms throughout the world, the drastic increase in the degree of readiness of these weapons, and the decrease in the time available for decision on their use must inevitably raise the risk of accident. The B-47 accidents this year at Sidi Slimane and at Florence, S.C., and the recent Nike explosion are just a beginning. Though incidents of this sort are not themselves likely to trigger misunderstanding, they suggest the nature of the problem.

There are many sorts of accidents that could happen. There can be electronic or mechanical failures of the sort illustrated by the B-47 and Nike mishaps; there can be aberrations of individuals, perhaps quite low in the echelon of command; there can be miscalculations on the part of governments as to enemy intent and the meaning of ambiguous signals. Not all deterrent strategies will involve the risk of accident equally. One of the principles of selecting a strategy should be to reduce the chance of accident wherever we can, without a corresponding increase in vulnerability to a rational surprise attack. This is the purpose of the "fail-safe" procedures for launching SAC.

These problems are also relevant to the disarmament question. The Russians, exploiting an inaccurate United Press report which suggested that SAC started en masse toward Russia in response to frequent radar "ghosts," cried out against these supposed Arctic flights. The U.S. response, and its sequels, stated correctly that such flights had never been undertaken except in planned exercises and would not be undertaken in response to such unreliable warning. We pointed out the importance of quick response and a high degree of readiness in the pro-

tection of the deterrent force. The nature of the fail-safe precaution was also described.

We added, however, to cap the argument, that if the Russians were really worried about surprise attack they would accept the President's "open skies" proposal. This addition, however, conceals an absurdity. Aerial photography would have its uses in a disarmament plan—for example, to check an exchange of information on the location of ground bases. However, so far as surprise is concerned, an "open skies" plan would have direct use only to discover attacks requiring much more lengthy, visible, and unambiguous preparations than are likely today.³⁰ The very readiness of our own strategic force suggests a state of technology which outmodes the "open skies" plan as a counter to surprise attack. Not even the most advanced reconnaissance equipment can disclose an intention from 40,000 feet. Who can say what the men in the blockhouse of an ICBM base have in mind? Or, for that matter, what is the final destination of training flights or fail-safe flights starting over the Pacific or North Atlantic from staging areas?

The actions that need to be taken on our own to deter attack might usefully be complemented by bilateral agreements for inspection and reporting and, possibly, limitation of arms and of methods of operating strategic and naval air forces. But the protection of our retaliatory power remains essential; and the better the protection, the smaller the burden placed on the agreement to limit arms and modes of operation and to make them subject to inspection. Reliance on "open skies" alone to prevent surprise would invite catastrophe and the loss of power to retaliate. Such a plan is worthless for discovering a well prepared attack with ICBMs or submarine-launched missiles or a routine mass training flight whose destination could be kept ambiguous. A tremendous weight of weapons could be delivered in spite of it.

Although it is quite hopeless to look for an inspection scheme which would permit abandonment of the deterrent, this does not mean that some partial agreement on inspection and limitation might not help to reduce the chance of any sizable surprise attack. We should explore the possibilities of agreements involving limitation and inspection. But how we go about this will be conditioned by our appreciation of the problem of deterrence itself.

The critics of current policy who perceive the inadequacy of the strategy of deterrence are prominent among those urging disarmament negotiations, an end to the arms race and a reduction of tension. This is a paramount interest of some of our allies. The balance of terror theory is the basis for some of the more lighthearted suggestions: if deterrence is automatic, strategic weapons on one side cancel those of the other, and it should be easy for both sides to give them up. So James E. King, Jr., one of the most sensible writers on the subject of limited war, suggests that weapons needed for "unlimited" war are those which both sides can most easily agree to abolish, simply because "neither side can anticipate anything but disaster" from their use. "Isn't there enough stability in the 'balance of terror,'" he asks, "to justify our believing that the Russians can be trusted—within acceptable limits—to abandon the weapons whose utility is confined to the threat or conduct of a war of annihilation?"³¹

Indeed, if there were no real danger of a rational attack, then accidents and the "nth" country problem would be the only problems. As I have indicated, they are serious problems and some sorts of limitation and inspection agreement might diminish them. But if there is to be any prospect of realistic and useful agreement, we must reject the theory of automatic deterrence. And we must bear in mind that the more extensive a disarmament agreement is, the smaller the force that a violator would have to hide in order to achieve complete domination. Most obviously, "the abolition of the weapons necessary in a general or 'unlimited' war" would offer the most insuperable obstacles to an inspection plan, since the violator could gain an overwhelming advantage from the concealment of even a few weapons. The need for a deterrent, in this connection too, is ineradicable.

³⁰ Aerial reconnaissance, of course, could have an *indirect* utility here for surveying large areas to determine the number and location of observation posts needed to provide more timely warning.

³¹ James E. King, Jr., "Arms and Man in the Nuclear-Rocket Era," *The New Republic*, Sept. 1, 1958.

VII. SUMMARY

Almost everyone seems concerned with the need to relax tension. However, relaxation of tension, which everyone thinks is good, is not easily distinguished from relaxing one's guard, which almost everyone thinks is bad. Relaxation, like Miltown, is not an end in itself. Not all danger comes from tension. To be tense where there is danger is only rational.

What can we say then, in sum, on the balance of terror theory of automatic deterrence? It is a contribution to the rhetoric rather than the logic of war in the thermonuclear age. The notion that a carefully planned surprise attack can be checkmated almost effortlessly, that, in short, we may resume our deep pre-sputnik sleep, is wrong and its nearly universal acceptance is terribly dangerous. Though deterrence is not enough in itself, it is vital. There are two principal points.

First, deterring general war in both the early and late 1960s will be hard at best, and hardest both for ourselves and our allies wherever we use forces based near the enemy.

Second, even if we can deter general war by a strenuous and continuing effort, this will by no means be the whole of a military, much less a foreign policy. Such a policy would not of itself remove the danger of accidental outbreak or limit the damage in case deterrence failed; nor would it be at all adequate for crises on the periphery.

A generally useful way of concluding a grim argument of this kind would be to affirm that we have the resources, intelligence, and courage to make the correct decisions. That is, of course, the case. And there is a good chance that we will do so. But perhaps, as a small aid toward making such decisions more likely, we should contemplate the possibility that they may *not* be made. They *are* hard, *do* involve sacrifice, *are* affected by great uncertainties and concern matters in which much is altogether unknown and much else must be hedged by secrecy; and, above all, they entail a new image of ourselves in a world of persistent danger. It is by no means *certain* that we shall meet the test.

[From the Public Administrative Review, Spring, 1953]

ADMINISTRATION OF THE NATIONAL SECURITY PROGRAM

By James A. Perkins, vice president, Carnegie Corporation

[NOTE: This paper was presented at the session on "Organization for National Security" at the annual conference of the American Society for Public Administration, March 7, 1953.]

The National Security Act of 1947 provides the organizational structure in the executive branch for managing our program of national security. This act was amended in 1949 to correct some deficiencies, but the agencies of today are essentially those established in 1947. Before attempting an analysis of the present working of our security structure, let us make a quick review of the cast of characters and the roles they were and are expected to play.

I

The legislation of 1947 was designed to correct the deficiencies in our World War II machinery. These deficiencies were four in number.

The first was the absence of adequate machinery for providing satisfactory coordination between the armed services. War experience had demonstrated the need for field commanders who had jurisdiction over both Army and Navy units operating in their theaters. Centralized field management led inevitably to the demand for centralized headquarters management. A complementary pressure arose out of our dealings with the British. When the Combined Chiefs of Staff was organized the service members on our side of the table did not speak with one voice while our British opposite numbers did. This situation led to the formation of the United States Joint Chiefs of Staff, and it was generally agreed that some such unified arrangement would have to continue after the war.

The second failing in our World War II management was the absence of proper coordination between diplomatic and military matters or, to put it in terms of institutions, adequate coordination between the State Department

and the two military departments. The need for this coordination led to the State-War-Navy Coordinating Committee established toward the end of the war, but as John J. McCloy recently pointed out in his Godkin lectures,¹² SWNCC was a very imperfect instrument infrequently used. We had come to understand that political and diplomatic considerations were inextricably entangled with military strategy, and it was felt that administrative machinery should reflect this central fact.

The third consideration was the need for rationalizing our overseas intelligence operations. Anyone who was in Europe in the spring and summer of 1945 was well aware that our overseas intelligence operations had gotten out of hand. An Army major in Ludwigshafen once complained to me that he had had to deal with thirteen different intelligence teams within a period of three weeks. In addition to this multiplicity of intelligence outfits, there was the growing realization that the nature of modern warfare requires intelligence on a broad spectrum of matters ranging from troops and supplies to factory location and design and the state of mind and health of peoples all over the globe. Thus, there was need both for a centralization of our intelligence operations and for an organization that could employ and exploit a wide variety of special talents.

The fourth lesson was the need for better planning of our domestic economic mobilization. The work that had been done, largely under military auspices, prior to World War II was hardly even studied, let alone used as a basis for actual mobilization activities. It was believed that this responsibility should be given to a civilian agency which would be kept in close touch with those concerned with political and strategic planning.

The need for mobilization staff work was met by the establishment of the National Security Resources Board. The rationalization of our intelligence operations was taken care of by the formation of the Central Intelligence Agency. The unification of the services and the maintenance of civilian control was provided for by the formation of the Department of Defense and the legal establishment of the Joint Chiefs of Staff. And the coordination of all these activities within the general framework of national security planning was institutionalized in the National Security Council.

Two other instrumentalities must be mentioned as part of the general machinery for national security planning and operations. The United Nations was the agency through which we would adjust our conflicts of interest with the Soviet Union. The assumption that such conflicts could be resolved was certainly a cornerstone of our immediate postwar security policy and the UN was the chosen instrument. We must also mention the Atomic Energy Commission as having a key part in this play, even though its role in security planning was but dimly understood when that agency was created. It is worthy of note that the UN and the AEC, representing respectively the instrument for negotiating with the Soviet Union and the chief instrument for restraining the Soviet Union, were both far removed from the council tables where national security policy was being developed.

At the outbreak of the Korean War in July, 1950, the machinery had been in operation exactly three years. In large measure it had failed to perform the functions for which it was established. It had not provided the necessary guidance for our program in Germany. It had not anticipated or successfully dealt with the explosive problems in the Middle East and Far East. It had not been able to produce adequate plans for equating our military strength with our growing commitments. The Korean War caught us unprepared in terms both of policy and of military potential. We had shown considerable capacity for reacting to demonstrated dangers. The Berlin Airlift, the Truman Doctrine for Greece and Turkey, the Marshall Plan, and the mobilization of the UN to deal with the Korean crisis are the most notable examples. I suspect, however, that careful case studies of these events will tell a story of improvisation rather than planning—of policy formed after the fact and commitments continually outrunning domestic arrangements.

The net effect of the Korean War was to bring about a restatement of our security policy in line with our actions of the preceding three years. The security organization began to function first by codifying the doctrine of containment (largely through State Department leadership) and then by

¹² Delivered at Harvard University in January, 1953, and to be published by the Harvard University Press.

hammering out programs of foreign aid and remobilization to fit the implications of the doctrine. Much of the muddiness of the pre-Korean days was cleared up under the pressure of actual warfare, threats of greater dangers, and the happy circumstances of friendly working relations between the heads of the State and Defense Departments and the chairman of the JCS.

II

Now let us turn to an analysis of the existing organization and see if we can identify the main issues that require the attention of those who are concerned with improving the management of our security program. On a subject as vast and complex as this it will be possible to select only a few problems for even the briefest treatment. The problems I have selected are: the organization of the Department of Defense, the contribution of the State Department, the functioning of the National Security Council, and the role of Congress in security planning. Obviously, each of these topics warrants a paper by itself but perhaps we can point up some basic considerations that must be a part of more extended studies.

The Department of Defense almost defies precise administrative analysis, largely because it has within it four different focuses of executive power and each focus of power was established for different reasons. The Chief of Staff of each of the three individual services is the central and dominant instrument for management within the Pentagon. It is under his direction that coordination of logistics, tactics, research, and personnel takes place. The other three sources of managerial power are of a lesser order of importance and serve either as checks or irritants on the service chief, depending on your point of view.

The Joint Chiefs of Staff as an institution is the second source of managerial power. Provided by statute with broad responsibilities for coordinated planning, it has a chairman who has no vote and is largely a presiding officer. It is hard to tell how far the JCS represents anything more than the sum of its parts. Certainly the service members thereon are not continually forced to modify their external operations because of the existence of a collective will they recognize as more powerful and binding than their own internal necessities. It is an essentially unexamined question whether the compromises effected in JCS meetings have advanced or hindered imaginative military planning.

The third power position in the Department of Defense is the civilian Secretary of an individual service. Former Secretary James Forrestal has said that a civilian Secretary is like an ant on a log floating downstream who believes he is a fast swimmer. Certainly the actual authority of a civilian Secretary is a fraction of that exercised by his Chief of Staff. The Secretary may persuade, admonish, and request. But only if he has been on his job a long time and is very wise and very determined will he actually have any measurable influence on the substance of the activity of the military establishment under his control.

The fourth and highest ranking power position is, of course, the Secretary of Defense. On paper he has the widest powers, but as Secretary of Defense Robert A. Lovett has indicated in his *ave atque vale*, there are few real tools at his command for exercising the authority he possesses.

Military planning on a unified basis can only be accomplished by increasing the collective will of the JCS at the expense of the individual service Chiefs of Staff. Neither unified planning nor unified headquarters management can be provided unless the position of the chairman and membership is reformulated. Unification cannot take place through the efforts of the civilian Secretaries no matter how much paper power is devolved on them. The key to real unification rests on provisions for the Joint Chiefs and nowhere else.

Early considerations of a chairman of the Joint Chiefs with power to override his colleagues on matters affecting unified planning were dismissed because of fears of creating too powerful a military figure. I would question whether this danger has been properly weighed on the scale with the advantages of unified planning. My vote would go to giving the chairman an overriding veto on all service proposals that are contrary to the dictates of unified planning and the equally important power of bringing positive proposals for unified activity before the JCS with power of appeal to the Secretary of Defense if they are not accepted. The Joint Staff of the JCS would have to be placed under his control with powers of fitness ratings within his sole jurisdiction.

While strengthening the position of the chairman of the JCS is the pivot for progressive unification, there remains the problem of the current work load of

the JCS which acts as a major barrier to effective planning. Unified planning involves both effective leadership and time.

It has been suggested that both unified leadership and time for planning can be accomplished if the JCS is divorced from command responsibilities. This is the thesis in a brilliant speech given by Dr. Vannevar Bush at Rochester, New York, and repeated at Tufts College. With some modifications it was the gist of Mr. Lovett's parting letter to the President.

The problem of the work load of the JCS is indeed a critical one, but I must confess to considerable uneasiness with the Bush-Lovett therapy. Planning that does not involve the constant participation of those responsible for carrying out the plans is a formula with built-in hazards. Planning soon takes on an academic tone and the operators ignore the plans. Then who sees to it that the plans are enforced or carried out?

At this point Bush and Lovett suggest a quite radical rearrangement of lines of authority. Once the JCS is established as an advisory body, the line of command would run from the President to the Secretary of Defense to the Secretary of a department to the appropriate service chief. The pattern is logical, but it presents two major difficulties that, in my judgment, undermine the whole scheme.

First, it puts impermanent and possibly inexperienced civilian officials into the middle of the military machinery. I cannot believe that the civilians would be anything else than disrupting factors in such a scheme. Second, since the newly constructed JCS would have to have constant contact with the operating heads of the military establishments, would there not be developed a second chain of command for the JCS to the service chiefs? The necessity for close contact between planning and operations would require such a close working relationship. But two lines of authority surely breed disaster.

My own prescription for the work load problem runs along less drastic lines. The chairman should apply more rigid control of the agenda and refuse to allow the JCS to spend time on administrative details. The Chiefs of Staff should delegate far more administrative responsibility to their deputies. But most important of all, the solution of the work load of the JCS rests on vigorous staff work and leadership in security planning from the State Department and the NSC. The JCS has operated like a small NSC. A proper reallocation of planning leadership will go a long way toward resolving the problem of the JCS schedule.

The third type of Pentagon management is found in the three civilian Secretaries of the service departments. The development of the Office of the Secretary of Defense has made the office of the service Secretary more and more a meaningless post. Caught between the Secretary of Defense on top and his service chief below, his *raison d'être* has been progressively attenuated. Clearly the post should be reformulated as an agency of the Defense Secretary so as to provide for the unification of civilian authority. Former Air Secretary Thomas K. Finletter believes that this move would seriously weaken civilian control because a lesser post would attract lesser men. This is an important point but not, in my opinion, decisive.

This leaves the Secretary of Defense or rather the office of the Secretary of Defense as the central position for assuring civilian control, for acting as a court of appeal for the JCS, and for representing the department before the Congress and in the complex of relations with other governmental agencies.

But it is also the office to which the President, the Congress, and the public look to provide for the unification prescribed in the Defense Act of 1947. Absence of unification has continuously led to suggestions for increasing the powers of this office. As I have already mentioned, the key to unification is in the JCS not the Defense Secretary, and the reason is that the Defense Secretary is not really able to exercise the powers that have been given to him already.

He is not able to exercise these powers because of the basic disjunction between the civilian and military officers. The latter are members of a professional group with its own provisions for promotion and assignment and its own systems of rewards and penalties. In short, the authority of the civilian Secretary is more prescribed by his own knowledge and experience than by the powers provided by legislation or executive order.

There is no short cut around sheer know-how for effective civilian control of the military establishments and this know-how must be demonstrated in the councils of the executive arm or before the congressional committees before the military establishment will begin to take seriously the wishes of the civilian.

Secretary or his staff. Since this is so, the turnover of Secretaries of Defense (five in six years) has had a greater influence in limiting civilian authority than all the language in the statutes. In this light it can only be viewed as our great good fortune that W. J. McNeil, Frank C. Nash, and Walter S. Whitman¹² have continued over from one administration to the next. This is our greatest guarantee of effective civilian supervision and pressure for unified planning.

III

We shall now turn our attention to the Department of State which is, of course, the key agency for all political and diplomatic considerations in the field of security planning. As a general proposition, the Department of State has adjusted itself far too slowly to the tasks that are inherent in this key role and as a result it has, in general, not played the part of the effective leader in shaping our cold war strategy.

Of course, the central reason for this disability is to be found in the essentially isolationist position that characterized the posture of the U.S. until recent years. World leadership has only recently been thrust upon us, and until one assumes the necessity for leadership one does not face the need for broad planning.

The first new responsibility that the State Department absorbed over and beyond the traditional business of normal day-to-day diplomatic relations with individual countries was in the field of foreign trade. Anyone who has had experience in the department is fully familiar with the organizational convulsions that have taken place in efforts to assimilate this area of consideration into established State Department organization. Be that as it may, by the outbreak of World War II the State Department had effectively taken leadership in the field of the trade agreements in particular and foreign economic policy in general.

The outbreak of World War II brought us face to face with the necessity for plans and operations in a whole variety of fields with which the State Department was almost completely unfamiliar and the net result was that agencies were established outside the department to handle these assignments. The Office of War Information dealt with the broad area of public information abroad, the Board of Economic Warfare with economic warfare, and the Office of Lend-Lease Administration with supplying our Allies with the goods and services they needed to conduct the war. The State Department was able to exercise only a minimum of control and direction over the activities of these agencies, with the result that whatever central management there was came from the White House.

The latter years of the war and the postwar period only increased the number and scope of United States activities abroad and departmental efforts to keep on top of this expanding universe have not been successful enough to assure the leadership that the situation requires.

The Department of State has made a number of important organizational moves in the last six or seven years that will reduce the deficiency. The Policy Planning Staff was organized by General Marshall as a means of providing a place in the department that could concern itself with across-the-board matters. No planning staff is any better than the determination of a Secretary to use it wisely, and it is my impression that the members of the Policy Planning Staff have been used far too often in specific operating cases rather than for the purposes for which the staff was originally designed. Furthermore, the establishment of such a planning unit immediately brings with it the age-old difficulty of a proper marriage with the operating divisions. While no divorce has taken place I would gather that evenings spent around the fireside are at a minimum.

The second problem that must be faced is that planning is becoming more a regional than a country affair. This presents one of the more acute organizational problems for a department that has been organized on a country desk basis. But once again, I gather that the department is slowly making moves to establish divisions with regional as well as individual country specialities.

But it is in the field of military and strategical considerations that the department is still woefully weak. As a general proposition I would say that there are more military officers who have a first-hand knowledge of diplomatic matters than there are State Department people who have an equivalent knowl-

¹² Who hold the positions, respectively, of assistant secretary of defense (comptroller); assistant secretary of defense for international security affairs; and chairman, Research and Development Board.

edge of military affairs. This imbalance has put, and will continue to put, departmental representatives at a tremendous disadvantage in evolving appropriate security strategy. The Department of Defense has recently made Frank Nash an assistant secretary with responsibility for the international aspects of Defense Department business. Is there any reason why the State Department should not have an officer who is concerned with the military aspects of State Department business?

Finally, the State Department will have to develop techniques of remote control. Large-scale military, economic, and informational activities will in all probability be carried on by agencies that are not part of the department but it will be imperative that their operations conform to plans that the department lays out. I would not suggest for a moment that this is a simple process, but I do strongly believe that imagination and vigor can go a long way toward assuring departmental leadership over the many agencies that will be dealing with matters of foreign affairs.

The development by the Department of State of effective planning, particularly on a regional and worldwide basis, an appropriate solution of the relationship of planning to operations, the development of sophistication in the field of military strategy, and the evolution of effective techniques in remote control will go far to redress the imbalance of security planning. These developments would have a most constructive and decisive effect on the very substance of our relations with the rest of the world.

IV

From a discussion of the Defense and State Departments one moves naturally to some comments on the National Security Council. The problem of the NSC is partly one of mechanics and partly one of substance.

The NSC suffers from a statutory definition of membership that has made the consideration of important matters a more complicated process than is necessary. Different problems require the participation of different agencies and the President should feel free to have the membership at the meetings adjusted to the problems. With prescription of membership, the problems are all too frequently adjusted to the membership. This is obviously absurd.

Another organizational failing has been the absence of a presidential agent with sufficient prestige and stature to provide the proper direction to NSC affairs. Leadership of the NSC is a full-time job which the President has, of course, not been able to provide. I understand that President Eisenhower has designated Robert Cutler as his man for NSC affairs. This will, of course, supply an important missing piece.

But the root problems of the NSC are not essentially matters of organization. They are, rather, matters of insufficient experience and expertise, on the one hand, and unwillingness on the part of its membership to have policy determined by such a body, on the other.

The absence of persons trained and widely experienced in the complexities of political-military strategy is the first deficiency. A Secretary of Defense with the fullest possible powers will never be able to impress his will on his military subordinates without years of experience in dealing with the three military establishments. Just so, a Secretary of State or Treasury or Chairman of the Atomic Energy Commission will never be able to construct really sound and imaginative security policies and programs without wide and intimate contact with the various parts of this puzzle.

At the present writing military officers are far better grounded in broad security affairs than are our top civilian officials. Military officers can have their careers planned to include graduate work, staff colleges, embassy assignments, and work with a variety of civilian agencies. No similar provisions exist for the civilian counterpart where pay follows the job he is in rather than the man. Until such time as our civil service embraces a system for the specific assignment and wide training of the personnel required for successful dealing with broad security problems, decision-making will gravitate to the Department of Defense and to the Joint Chiefs where more of this capability exists. The problem of the NSC is the problem of civilian expertise, and neither our academic training nor our governmental arrangements are calculated to produce any effective counterweights to the military capabilities in this field.

The essential disability on the part of civilians dealing with security matters has consequences that go beyond the NSC. It means that security considerations are heavily defined in military terms. But nothing is more essential than a full public realization of our political, economic, and social, as well as our military

affairs. Ten tactical air groups can be effectively neutralized if the bases from which they are to fly are surrounded by hostile populations. It may require a ten percent increase in our fleet to assure access to raw materials that are no longer available because of improvident management of our domestic resources. Ten divisions may be added to our team because we have successfully mediated in a solution of the Egyptian problem. Security is not to be defined in military terms alone, and in a cold war situation it would be disastrous not to have factors over which civilians are responsible kept front and center on the council tables.

But these factors can only be given their deserved attention when those responsible can weigh them in the scales with purely military considerations, and this in turn postulates the kind of experience and expertise in which we are at present deficient. In short, there is more at stake than the NSC—it is our imagination, understanding, and effectiveness in mobilizing world power and world opinion on our side.

V

Finally, we shall have to make some comments on the role of Congress and Congressmen in the administration of our security program. In order fully to understand the way in which the legislature influences the administration of any executive program we shall have to unlearn a good deal of our textbook maxims about the separation of powers. Only if we realize the critical and sometimes decisive role that the Congress plays in shaping both the organization and the programs of national security will we understand the most complicating factor in executive planning at any level and on any subject. I should like to submit that students of public administration have generally neglected this highly important determinant of administrative arrangements and administrative action.

The basic difficulty stems from the fact that the real power in both houses is exercised through committees which are organized to deal only with parts of the total security program. This leads to committee consideration, committee decision, or at least committee pressure to effect administrative arrangements on one segment of the organization that may throw larger considerations out of focus. Arrangements for the Marine Corps were blocked by a congressional committee, which in turn brought great pressure for giving this service representation on the JCS. A search for subversives can vitiate the Voice of America which may have a top priority in plans for psychological warfare. Unification may be hindered by long-established contacts with, for example, Navy bureaus whose independence is protected by friends on the Hill. All through the administrative machinery there are organizational arrangements that cannot be touched because of congressional protection and others that are changed or modified because of the heavy interest of a congressional group. In short, efforts to centralize and rationalize security planning run afoul of the dispersion of authority in the Congress. Of course, this is the continuing problem in most executive-congressional relations.

Aside from congressional influence on particular parts of the total operation, one general and pervasive influence must be noted. The more nearly a program can be described in military terms the more likely it is that that program can receive congressional approval. The further a program moves from military definitions the more the individual congressman will feel free to enter into and try to influence its nature and administration. The effect of this imbalance of attention is to put security affairs under a military hat wherever possible. Thus, Congress acts as an additional factor in weakening civilian orientation of our security programs.

A critique like this one always sounds more negative than the facts really warrant. A balanced view would show that organizationally we are in far better shape than at any time in our history to deal effectively with the broad and complex matters of national security policy and planning. Additional encouragement comes from the increasing interest of students of public affairs and public administration in the whole area of security affairs. Courses on military history and military policy are appearing in college catalogs. Excellent books and articles are coming into print that throw new light on these complex problems. The Social Science Research Council and the Council on Foreign Relations have recently begun to concentrate attention on the importance of these problems. Good starts have been made, but the magnitude and importance of the problems warrant our greatest concern in the years ahead.

Executive Session

The subcommittee met at 12:35 p.m., pursuant to call, in Room 3302 of the Senate Office Building, Hon. Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senator Jackson (presiding).

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick and Grenville Garside, professional staff members; and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council; Robert Berry, representing Senator Karl E. Mundt; and Walter L. Reynolds, chief clerk and staff director of the Committee on Government Operations.

Senator JACKSON. The subcommittee will be in order.

The subcommittee will now resume in accordance with the procedures worked out by the chairman of this subcommittee and the White House. We are meeting in executive session.

You understood from the directive that you received from me by letter what the guidelines are, Dr. Perkins?

Dr. PERKINS. Indeed I did, Senator, and I also received very specific instructions on this score from members of your staff, who want to make sure I understand them.

Senator JACKSON. Did anyone else speak to you about this?

Dr. PERKINS. Yes, sir; a Mr. Haskins, the gentleman who is here, whom I just met this morning, a senior staff member of the National Security Council, called me on the phone and he asked me if I had seen the guidelines. Do you want me to repeat the conversation?

Senator JACKSON. Will you relate the conversation as best you can?

Dr. PERKINS. Well, my recollection of the conversation runs about like this: He called me to ask if I had seen the guidelines, and I said I had. He then reminded me, which I knew, that my appearance before the National Security Council in connection with the Gaither Committee did not necessarily qualify me as an expert witness on NSC affairs and I was only too happy to agree with him.

He wanted to assure me that the matter here was a matter of considerable sensitivity, that he wanted to make sure that I realized that questions were likely to be asked that would seem to suggest that the only proper answer was one that would be enormously critical.

I read him a list of questions that I had received in a letter from you, and he suggested that the question of relations between Defense and State Departments suggested the absence of adequate coordination.

I told him that I thought that honest men could differ as to whether or not it was adequate or not. When I told him that I would be speaking as a private citizen he agreed with me that I should speak my mind as I saw it as long as I was fully conversant with the security factors involved.

I had the general impression that Mr. Haskins certainly wanted to make sure that I realized that I was speaking in a sensitive area, and that the National Security Council and its operations were sensitive matters and that he and his colleagues in the Security Council were concerned that I be objective and discreet in the handling of any questions.

I think that would be a fair and honest account of that conversation.

Senator JACKSON. And you previously advised him, however, that the chairman of this committee and the staff, as well, had make it clear to you by submitting the exchange of letters between myself and the President, and also the so-called guidelines, and so you had all of that information.

Dr. PERKINS. I did indeed, but he was good enough to send me additional copies of the guidelines, which I received in the mail a couple of days ago. I quite independently received another set of the guidelines from Dr. David Beckler. In what capacity he was sending them to me I am not clear, but I think that he is executive officer of the President's Science Advisory Committee.

So I am well equipped with guidelines, Senator, and if I do anything wrong it is not because of a lack of attention from both the administrative side and the legislative side.

Senator JACKSON. With that, I presume that you are fully informed as to the rules.

Dr. PERKINS. I hope so, and it is no one's fault in this room if I do not answer correctly.

Senator JACKSON. Now, I would like to ask you a few questions in connection with the National Security Council.

I wonder if you could indicate your opinion, Dr. Perkins, as to the effectiveness of the National Security Council as an advisory mechanism to the President, in general?

Dr. PERKINS. My answer will be in general, because that is the way you have posed it.

I would say that it has been at its best when it has to do with matters that come within fairly well established guidelines, both in terms of budget and in terms of established orientation, and it has been at its weakest when matters that are extremely controversial and break into new ground or that require major revisions of policy.

Let me elaborate on that if I may, Senator, but I will proceed any way you wish.

Senator JACKSON. Proceed in your own way.

Dr. PERKINS. That would be my specific answer. I think the reason why this is so is that the Security Council, after all, is made up of both statutory and invited members who are the heads of operating agencies. They are brought together to make sure that work in the different departments is coordinated and, of course, as we all know, the Security Council itself was created in response to some badly felt needs for coordination during World War II.

It was a need for more standard and routine coordination of activities, at the top side of both State and Defense, and, at that time, State, War, and Navy, the so-called SWNCC Committee.

When you get a committee of operators, they have enormous ongoing programs and responsibilities, both in Defense, State, and elsewhere, and they find it very difficult to deal with large innovations of policy or program.

It is the inherent, built-in danger of any committee: it will operate most effectively when basic policy is firmly established. It will not operate effectively to establish new policy.

I think if I were to make a general judgment about the NSC, it is that the President has not received from the normal NSC routine the kind of sharp debate, the clear differences of opinion, the new ideas

that would require major modifications of program. However, I think that he has been well served by a group that has stabilized operations, and stabilized it by seeing to it that all parts of the Government are drawn into the process of policy planning.

Now, this is again a case where you are talking or we are talking about styles of administration, if you will. I think my concern about this would be that currently, as one looks at our national security policy, I am impressed with the need for some fairly major rethinking of some of our lines of policy.

I am afraid that this system, and it has nothing to do with the people in it, is not likely to permit new or substantially new ideas to filter their way up uncompromised and vividly expressed.

In short, it has served the process of interagency agreement well. It has not served the job of creating new policy lines, and for anyone to expect that it would, would seem to me to be an error in organizational judgment.

I am told, and there is some evidence both in print and elsewhere from people who have been in it and out of it, that the President is not getting the fresh point of view through this system which, in my judgment, the rapidly evolving cycle that I described in open hearing would require.

Senator JACKSON. Did you have a chance to read Mr. Lovett's testimony?

Dr. PERKINS. Indeed I did; yes, sir.

Senator JACKSON. In general, do you agree with the pertinent points that he made?

Dr. PERKINS. Indeed I do.

Senator JACKSON. He made specific reference to the growing size of the NSC; that is, the broadening composition of it and the rather large meetings. Do you have any comment on that?

Dr. PERKINS. Yes; I do.

Senator JACKSON. Will you proceed?

Dr. PERKINS. I am told they do vary in size. I am not quite sure what a standard-sized meeting is but from reading the piece by Robert Cutler and Gordon Gray who were in print on this subject, it sounds to me as if a standard meeting must be around 19 or 20 people.

There are meetings where much larger numbers than that are invited, and I am also told there are some meetings where smaller numbers are used, but I would gather that maybe 20 has been about an average.

I would have to go back to the point I just made, Senator, that if you view this as a system of validating policies already agreed upon or minor changes therein, there is a pretty good case for increasing the number of people who sit in on those meetings, who then will come away learning what policy is, and by their presence, presumably taking some responsibility for its execution.

So I think that the more one uses the NSC as a system of interagency coordination and the legitimatizing of decisions already arrived at, the growth in numbers is inevitable, because people left out of it and not at the meetings whose concurrence is required have a *prima facie* case for attending.

But if we are talking about a body that is going to advise the President, as Mr. Lovett suggested in his testimony, and in a free and open

way discuss substantial changes in policy, then I think the larger the number the less effective it is likely to be. In a room full of 20 or 30 people, and sometimes more, many ideas are going to be held back.

Senator JACKSON. In this connection, I quote from the previous testimony of Mr. Lovett on February 23, including my question to him:

Senator JACKSON. Now to turn to this question of the jurisdiction of the NSC: Do you think that it should confine itself to a few important issues as opposed to having a lot of issues brought in?

Mr. LOVETT. Yes, sir; I do; I think the fewer the better.

Dr. PERKINS. I agree, but I think my answer turns on the point I just made. If you are talking about the need of a system for acquiring Government concurrence, then I think that you will bring up more issues.

If you are thinking of a very top-level group of the President's most intimate advisers and those dealing operationally with the most vital parts of national security policy, then I think that you reduce the number of topics.

Senator JACKSON. If I may summarize this general area that we have been covering here in the colloquy, I take it that you feel that the size of the body should be limited in the NSC, and that the issues should be limited to the critical or crucial ones; and lastly, that these critical and crucial issues should be thoroughly discussed and debated with the sharp alternatives presented that naturally follow from that kind of discussion, so that the President can make a decision based on those sharp issues and alternatives.

Dr. PERKINS. I agree with that.

Senator JACKSON. In this way, he discharges fully and completely his constitutional responsibilities, does he not?

Dr. PERKINS. Yes. I want to make awfully sure I am understood about this, Senator, because it is a very delicate and central point in the top-side management of the Government.

You started out your question by asking, "Does this serve well in its advisory function to the President?" If one follows that line, one talks about a small group dealing with large subjects, and relatively few of them, in an atmosphere where there is the widest possible debate made possible, and where the issues are sharpened, and where there is an actual premium put on people coming in and vigorously presenting fresh points of view.

It has been used largely for a second, and in my judgment, somewhat contradictory purpose. It has been used as a system of legitimatizing decisions already arrived at throughout the complex structure of the executive branch.

On that line, you invite more people, and you have more papers, and you have larger numbers of questions. But to the extent that you mix these two functions up, you cannot get good advice from an organization that has been asked to do function No. 2. Nor do you get good implementation, obviously, from a relatively small number who are set up for the advisory purpose.

Do I make myself clear?

Senator JACKSON. I understand fully, and in your comments you are approaching the NSC from the point of philosophy that the body might be better treated as an advisory body to the President.

Dr. PERKINS. That is correct.

Senator JACKSON. In order that he can better fulfill his constitutional responsibilities.

Dr. PERKINS. Precisely.

Senator JACKSON. Obviously, if the President is to use such a body, it must, under the Constitution, be limited to an advisory purpose. The secondary purpose that you mentioned is an entirely different one, and a body to serve that purpose is not an advisory body to the President of the United States.

Dr. PERKINS. I would take it that any student of administration would concur that one of the dangers of an advisory committee is that the person who uses it for advisory purposes can very easily permit that advisory body to turn operational.

This is not just the NSC, but this is applied to General Motors or Harvard University, or any large organization you want to mention. Once the thing turns operational, then the structure slowly changes, and the procedure slowly changes, and the man who originally sets it up begins to withdraw himself from the operation, and permits the machinery itself to settle problems that heretofore he resolved.

Senator JACKSON. Now, I have one last question, Dr. Perkins.

I should like to refer you to our Senate committee print entitled "Organizing for National Security: Selected Materials," and to the article by Mr. Robert R. Bowie called "Analysis of Our Policy Machine." Mr. Bowie, I believe, is currently the director for the center for international affairs at Harvard University.

He was the director of the State Department's policy-planning staff from 1953 to 1957, and in that capacity he served as Assistant Secretary of State.

Have you had an opportunity to read the article?

Dr. PERKINS. Yes; I have. I have had plenty of occasions to talk with Robert Bowie about this, too.

Senator JACKSON. That is over a period of years?

Dr. PERKINS. I have known him a good many years, ever since we were in a command car in Germany together, Senator.

Senator JACKSON. On pages 105 and 106, Mr. Bowie makes four points. I wonder if the points that he makes there, Dr. Perkins, might be applicable in your judgment to the operation of the National Security Council?

Mr. PENDLETON. Let's go over them, and apply them one by one.

Senator JACKSON. Suppose that I just read the points. I think that that might be easier. Mr. Bowie writes as follows:

In appraising our foreign policy machinery, one can well recall how little time our Nation has had to master its current role. We emerged from World War II with ill-defined or mistaken notions about our position and our interests, and the threats to them, and about the direction of foreign policy.

Most great powers have had an extended period to develop understanding and techniques of foreign affairs and the framework of policy. Our Nation has had little more than a decade, in times of unprecedented change and turmoil. In evolving its policy and its relations with others it has learned from experience at a rapid rate. In these terms we can be proud of a notable achievement.

We cannot, however, rest on those laurels. History awards no prizes for effort, no matter how creditable, if the results are not adequate to the need. We must, therefore, ask ourselves whether our present procedures are equal to our task. Judged by this criterion, our machinery suffers from several weaknesses.

(1) It is obviously ponderous. In running the gamut of the Federal bureaucracy, Congress and its committees and our allies, an analysis or proposal

is likely to be much watered down or blurred by compromise. Moreover, the time and energy required by the process doubtless create strong inertia against initiating new policies or actions or changing existing positions.

In a recent press conference, Secretary Dulles, in explaining why no change was then planned in Western disarmament proposals, said:

"It was not easy to arrive at the present disarmament proposals, representing an agreement, as they did, among 15 countries. Many of these countries had different viewpoints, different interests, and different concerns. It was a task of very great difficulty to bring about agreement, and that agreement is a delicate and fragile one.

"There are aspects of those proposals that were not very happily received by some that went along in the interests of achieving unanimity. Now, to break that unanimity and try to find new unanimity or new proposals without any knowledge in advance as to whether that would be acceptable or not to the Soviet Union would seem to me to be a futile and indeed reckless effort to make."

One need not take issue with this specific decision to realize that the same factors may inhibit revision of policies when conditions change.

What is your reaction to that?

Dr. PERKINS. I would like to associate myself with Robert Bowie on this point. He is covering a variety of matters other than the Security Council, since this comment is addressed to the whole of the Federal bureaucracy, Congress, and his committees, and allies. But since obviously he is including all, he is including the part, and one of them he obviously must have meant was the Security Council.

One does have a feeling that the procedure here is ponderous, and as I think I mentioned earlier, there does seem to be a strong inertia against initiating new policies through this procedure. I think it is because of this inherent contradiction in using the same group for advisory purposes and for operational coordination.

I think if they could get these two functions untangled and leave the NSC to where it was supposed to be in the beginning, as a group who would coordinate their advice to the President in his presence, and sharpen up issues, the ponderousness, if there is such a word, would decrease.

So I think Bowie, who must know, and he was in the middle of this, as director of the policy planning staff in the State Department, has a point.

Senator JACKSON. Mr. Bowie's second point is this:

(2) The machinery has not always assured a realistic appraisal of conditions which run counter to strong preconceptions. The tendency of some to discount persuasive evidence of Soviet economic progress and Soviet ability to produce complex weapons probably resulted in part from reluctance to believe a system so repugnant in its methods could succeed as well as it has. Again, the full sweep of the Soviet threat has been hard for some to grasp because its purposes and methods are so foreign to our own experience. Similarly, seeing the world through the eyes of others with utterly different history, values, and position is especially hard. Yet failure to do so leads inevitably to misjudging reactions in areas like the Middle East.

Dr. PERKINS. I think this is a very important point and it would be pretty hard to separate human nature, Senator, from the NSC itself. Both are involved here.

Let me refer, if I may, and I am free to do so, to the atmosphere that we all discovered when we came down in June or July of 1957, with the Gaither Committee. There it seemed to us quite clear that the nature of the threat was not fully realized, or at least the threat as we discovered it on briefings from the Pentagon and the Central Intelligence Agency.

Mr. PENDLETON. May I interrupt here? If these are planned to be released, I think the Gaither Committee report still has not been released by the President. This would probably have to be deleted.

Senator JACKSON. That is right, but he is just stating his personal judgment. The fact that any matter is taken up in executive session does not make it automatically releasable. It is in accordance with the guidelines and that is why we are in executive session.

Dr. PERKINS. I had no intention of even talking about what was in the Gaither Committee report. I am saying, however, that when we first came down, it seemed to us that the nature of the threat was not fully determined or fully considered. I think that is eminently clear from the country's reaction once sputnik went up.

As a matter of fact, I said then and I say again that whatever words of wisdom we may have put into that document would have largely been wasted if the Russians had not so fully cooperated by sending up a missile one week before we submitted our report, or a satellite, and another one some weeks afterwards. We were well bracketed.

But the point needs to be made that the existing machinery did not seem to bring to the surface in the right way the changed circumstances of the Russian threat to American systems.

Some pieces of this puzzle were known, but you know you can know the parts, but they do not have the full impact on you if you do not pray over them and look at them in a fresh way.

People who are operating enormously large and responsible jobs find it very difficult to rethink their premise every Tuesday. You cannot change your mind about basic things too often or the machinery you are running breaks down.

But I would say in the balance here between the system that sees to it that you operate with some degree of stability on the one hand, and a system that sees to it that the major premises are reexamined in the light of new facts, there is good external evidence, and it has nothing to do with my being on the Gaither Committee, that the Government did not have its eyes open in the summer and fall of 1957.

We did not make the basic reexaminations that should have been made. This is partly human nature because none of us like to re-examine too frequently or too profoundly things we take for granted in our own lives, and this certainly is true about people whether they are private citizens or members of the NSC.

That is why I think Mr. Bowie quite rightly says that the machinery has not always assured a realistic appraisal of conditions which run counter to strong preconceptions.

I would say we are not currently organized to see to it that conditions that run counter to strong preconceptions are kicked to the top and put on the top of the agenda.

Senator JACKSON. Just to clarify an earlier colloquy, when the Gaither Committee was mentioned, I think my reply to a question from Mr. Pendleton might suggest that any reference to the Gaither Committee would be deleted. I think that under the guidelines we have worked out, we adhere to the principles laid down in the guidelines which, of course, forbid any reference to the substantive contents of the Gaither report.

That was covered by a letter of the President to Senator Johnson which I referred to in my earlier opening statement, but the only items

that will be excised will be ones bearing on national security under the rules that apply, that is, the rules of security, and the specific provisions covered by the guidelines.

I just wanted to make clear that just the mere mention or reference to the Gaither Committee is not in itself a security matter. That is just to clarify the record.

Dr. PERKINS. The fact is, the report has not been released and presumably this is not a procedure for detouring around that decision, and none of us want any part in any such detour.

Senator JACKSON. We are not going to do it directly or indirectly, and the President has a constitutional right to have such communications treated as confidential, and otherwise he cannot do his job.

Dr. PERKINS. Of course he does.

Senator JACKSON. There is a real, valid reason for the constitutional principle.

Dr. PERKINS. I might say, those of us on the Gaither Committee have become reasonably expert in dodging efforts to pry out of us what was in that report.

Senator JACKSON. Now, if we may take up Mr. Bowie's points (3) and (4) together, if there is no objection.

Points (3) and (4) read as follows:

(3) The machinery has not produced a balanced allocation of resources among essential activities. The Soviet challenge is many sided. It is not merely a military threat but also a political, diplomatic, and propaganda offensive throughout the world. The most obvious of these threats, however, is the military. Since it is easy to dramatize, there has been a dangerous tendency to emphasize military programs at the expense of other programs in allocating resources.

The programs for economic and technical assistance and for reciprocal trade agreements have had much harder sledding: their results are more gradual and the threat is less dramatic. Yet failure to carry on a balanced program with necessary stress on nonmilitary measures will expose us to grave danger of being slowly strangled and isolated even while maintaining an adequate military posture.

Even the military field suffers from similar distorting factors. The capability for all-out retaliatory capacity, represented by SAC, enjoys widespread support. Yet that capability, while essential, is clearly not enough. The growing Soviet nuclear capacity has tended to erode the value of SAC as a deterrent to local aggression. To stop that hole in its defenses, the United States needs to create and maintain an adequate capacity for using force on a limited scale. Yet neither the Executive nor Congress has fully faced up to this need. Since lack of flexible military means could hamper our diplomacy and imperil our security, this defect could be extremely serious.

(4) The Soviet offensive is essentially long term. The Soviet leaders view "competitive coexistence" as a struggle for an indefinite time. Even if peace is preserved they clearly intend to probe for weak spots and to exploit them fully by all other means. Our programs must also be planned and carried out on a long-term basis.

For various reasons, our machinery is not well suited to planning and action in these terms. In the executive branch day-to-day crises constantly demand immediate action and divert attention from analysis of more basic problems. The annual budget procedure also tends to shorten the focus within which programs are presented and judged.

Again, with elections to Congress every 2 years, Members on the lookout for issues are likely to stress the short run. Finally, the press has a similar bias: the dramatic crisis is newsworthy; the gradual success seldom makes the headlines. All these factors tend to foreshorten the perspective in which programs are judged.

Now, would you comment on Mr. Bowie's point 3?

Dr. PERKINS. This is a judgment that one has to make, and Mr. Bowie has properly made it, as to the totality of our security program or our national security program. It has to do with a judgment about balance among the requirements for deterrence, limited war, civil defense, military assistance, foreign aid to various countries, that in his judgment apparently he feels that this system is out of balance.

I do, too. I think it is out of balance because with the understandable pressure to close this missile gap, too little attention has been given to the nonmilitary components of a total defense posture.

In short, we might find that we have an absolutely invulnerable deterrent, and we might even find that we have an airlift system that meets our limited war requirements to the best possible reasonable measure. But then we could discover that the Soviets' real thrust was in the field of ideology and economics. If we have starved our information office, or have not appropriated enough funds for military assistance, we might be in the position of having locked the front door very well only to discover we had not even put up the screens in the back.

Now, insofar as this is true, and I am inclined to agree with Mr. Bowie that it is true, the place where our original machinery would be responsible is in giving undue weight to the military presentations when one is rounding out a balance between the factors I have just described.

I think this comes back to the fact that we mentioned in open testimony, that the civilians as bargainers in this complex thing called national security policy are not as well or as broadly prepared as their military counterparts.

The civilian in the Pentagon or the civilian in the State Department frequently does not have the full range of briefings, of training, and expertise as his military opposite number. Second, he does not have the enormous advantage of what seems to be the more present danger.

Senator JACKSON. Now, Mr. Bowie's fourth point that the Soviet offensive is essentially long term.

Dr. PERKINS. Yes. On this one, this is an enormously complex matter and gets us into the matter of legislation and budgetary procedure. Also, it goes back to my familiar theme of the NSC becoming operational.

Insofar as the NSC is operational, it is dealing with matters that the operators currently have on their minds. Operators do not have long-term issues on their minds, because they are burdened with matters that they have to solve today. Then they take up tomorrow's problems when tomorrow comes.

So insofar as the NSC has become operational forward planning is likely to be foreshortened. Insofar as the NSC is advisory, its time consideration will be lengthened, and so I am back to my original thinking.

Now, the budgetary process reinforces the operational bias I have just described, because one is hardly through with a budget in this business before you have to deal with the next one.

I am told that most budgetary processes now, in Government departments, involve working with three budgets simultaneously, deficiencies in the past one, the one you are working on, and the one that

is coming up, and all of them involve hearings and operations that involve our operating officials.

This means that when you are dealing with an annual appropriation, from a lower House that has a 2-year life, this very process restricts the range of possible planning, unless one goes in for a variety of devices that can lengthen this out.

So I would say that one of the places where American administrative ingenuity can be most profitably exercised would be evolving a system that has 5- and 10-year leadtimes, that permits planning projections that do not get chewed to bits by annual budgetary cycles.

In short, I think the budgetary process supports a tendency on the part of operators to think in terms of daily crises. To that extent, I would agree with Bowie, that the budgetary business has interfered with long-range planning.

Senator JACKSON. May I just at that point read this brief statement from Mr. Lovett's testimony before this committee on February 23, regarding a longer budget system, and I quote:

I think that in any experimental development program involving research and the awkward period during translation of research into an actual item, funding it for 1 year is unrealistic. I think we need to have something longer in order not to have to reset sights and suffer the vacillation which ensues.

One of the most painful things that an executive goes through in the Government departments is the change of program while you are right in the middle of it. You lose momentum and you delay the output. So I would say we need some form of budgeting for certainly half of the period of gestation of any new weapon, which used to be in the order of 5, 6, or 7 years—about 5 years to take the low side.

That would mean, say, 2 to 3 years of funding for some approved experimental research and development purpose. That would be the first area.

Dr. PERKINS. I would say "amen" to that.

Senator JACKSON. You concur in that?

Dr. PERKINS. Yes; and there is a second point about budgeting that gets us into the NSC. We have made the point about the impact of fixed ceilings, and its impact on security planning. But there is a widely held view, as you well know, in the operating departments that the budget officers carry too much weight, and that the Director of the Bureau of the Budget and the Treasury Secretary in the NSC carries too much weight.

I would like to speak to both sides of that issue, if I may, because there are two sides: One, I think that people who talk about the budgetary tool as being one that the President should not use are talking sheer nonsense. The budget system and the budgetary tool is an indispensable tool of management and control, and of checking up on what you have, and seeing to it that there is some connection between costs and performance.

So those who are concerned about the role of the Bureau of the Budget, I think, are either wrong or they are misplacing their concern. If you are dissatisfied with either budgetary ceiling or with the views of budgetary officers, you should lodge your complaint with the people who use it, and not with the tool.

I think here we deal with a much more complicated issue. It is my general view, Senator, that the idea of the budget ceiling has been used as a shortcut means of dealing with a very tough problem of making a choice between complicated weapons systems.

Now, in short, I think, therefore, that while the complaint that the budgetary tool is inappropriate is wrong, I think a case can be made that the substitution of budget procedures for substantive decisions is equally wrong.

Senator JACKSON. That goes to a very good point, and I think anyone who is realistically informed about the operation of Government realizes that the budget tool can be a very useful tool when properly directed and operating from policy decisions that have been thoroughly considered, and thoroughly debated, and that meet overall requirements.

Would you agree with that?

Dr. PERKINS. Yes; I would.

Senator JACKSON. Do you have any further comments?

Dr. PERKINS. No; I do not.

Senator JACKSON. I shall ask the minority counsel, Mr. Pendleton, if he wishes to ask any questions, Mr. Pendleton?

Mr. PENDLETON. Dr. Perkins, you mentioned at the beginning of your statement in this executive hearing that, prior to the session, you had spoken to the staff of this committee and Mr. Haskins. I was wondering whether you had prior to this session spoken either to Senator Mundt or Senator Javits or to me?

Dr. PERKINS. No, sir.

Mr. PENDLETON. Throughout this discussion in executive session you have referred to the President. Do you mean by "the President" any particular occupant of that position?

Dr. PERKINS. I was talking about the Presidency.

Mr. PENDLETON. And not the present incumbent in particular.

Dr. PERKINS. No, sir.

Mr. PENDLETON. In discussing the operations of the National Security Council, would you state the basis of your knowledge of the operations of that Council?

Dr. PERKINS. My first contact came as in the Pentagon, when I was first consultant and then deputy chairman of the Research and Development Board. In order to discharge my responsibilities, I was given a whole series of National Security Council papers that bore on the dimensions of the responsibilities of the Department of Defense. I must have read about 25, I would guess, such papers and amendments thereto.

So there was a period when I was thoroughly familiar with not only the papers, but the procedure by which those papers were developed and of the development of papers in the Pentagon for the Security Council.

My second large exposure came through the Gaither Committee, and I will not say any more than that for fear of getting into trouble. There may have been an NSC paper that bore on our security program that I did not see during the summer, but I do not know what it was. I had a chance to see both the Planning Board and the Security Council itself in operation, but more importantly, I had a chance to discuss, since we were very much interested in finding out how our report could be of most use to the Security Council, how the thing worked.

Of course, there is a good deal in public print about the Security Council. Fortunately, a good bit of it has now been put together

in your very excellent committee document entitled "Selected Materials," but before that I had a chance to read Mr. Cutler's statement about how the Council operates, and Mr. Gray's statement when they appeared in Foreign Affairs magazine.

Mr. PENDLETON. And, Doctor, in the course of your experience, have you attended meetings of the NSC?

Dr. PERKINS. One.

Mr. PENDLETON. You referred to a question of the discussion between the people participating in the operations of the National Security Council, and the question came there.

Dr. PERKINS. Will you repeat that again?

Mr. PENDLETON. You referred in your discussions to the participation between the attendants at NSC meetings. The question arose in my mind on the opportunity for the operating heads of the agencies to discuss policy versus the presentation of a compromise decision at the NSC level.

I believe your statement was in regard to the presentation of a compromise rather than the opportunity for the Secretary of Defense and the Secretary of State and other members of the NSC to discuss the issue.

Do you believe that it would be more advisable for policy recommendations to be made by other people than the heads of the operating agencies?

Dr. PERKINS. That is a very good question, and a very complicated one, and it requires a complicated answer.

There is a wide division of opinion, as you know, about such matters. There is one school of thought that says you ought to have a series of senior officers, with no operating responsibility. There is another that says that you get your best advice from those who are in the middle of operations.

I am with the latter school. I think that you do get your best advice from people who have large operating responsibilities; at least you have a chance to make sure that you are getting the benefit of advice that comes out of considerable experience. The man who does not have any such connection has an important role, but not the continuing role that I would expect from, let us say, the Secretary of Defense, or the Secretary of State.

I would say, then, if I were the person who had to lean on advice, I would certainly want to seek it on a continuing basis, from the people who had the large operational responsibilities in Government. In that sense I think that the statutory membership, or those who are invited, at least some of them, represent on the average where you get your best advice.

No system is perfect, and no operator is ever one who is always the best possible administrator, and the freest and most creative thinker. So I think a person, when he looks over the people who are giving him advice, has to make shrewd judgments about each individual. Is this man really in addition to his large operating responsibilities also likely to be the most creative?

You know as well as I do that lots of times you answer differently depending upon the person. Now, a wise man who uses an advisory group will assess the capabilities of each of the persons who are immediately around him, and will decide where there are some deficiencies in his advisory system.

So my conclusion about this would be that a President, and I am not talking about any particular President, would do well to see to it that if he does not have the creative, imaginative advice that he needs, as well as the stable operational capability, from those who come to NSC affairs, he ought to invite into it not people who have other operating responsibilities necessarily, but maybe he has a staff assistant, and maybe the imagination comes in an under secretary some place, or maybe it comes from some other part of the Government, and maybe he has to get it from outside expert committees.

But he cannot afford, having made a survey of the kind of capabilities he has in his USC membership, he cannot afford to pass up the chance for getting creative, fresh, courageous advice into his system.

Mr. PENDLETON. That raises the next question, of course, and it involves the difficulty of getting both points of view, and that is the number of people who attend.

I believe at the present time among the 20 or so that attend the NSC, there is George Kistiakowsky, the President's science adviser. Do you believe it is better for him to be there, or does his presence and some of these other outside people create a mass atmosphere?

Dr. PERKINS. Well, is he going to appear before this committee?

Senator JACKSON. He will not appear, because of his position in the White House.

Dr. PERKINS. I think that I could not answer that without knowing Kistiakowsky better than I do. I know about him and I have met him.

Mr. PENDLETON. Any science adviser. I meant just anyone.

Dr. PERKINS. That is all right. I think there would be many times when if I were a President I would like to have a science adviser present when certain topics were up. I would not want him to feel that he was there because he had to register a point of view on all the matters on the agenda.

Mr. PENDLETON. Now, to close, to turn to Mr. Bowie's statements on page 105, the first question there in regard to the policymaking problem—do you believe that the United States in its foreign policymaking should or should not consult with its allies and with the Congress?

Dr. PERKINS. Of course it has to. The one way in which you develop a consensus in a democracy is by dealing not only with your legislature, but with other private organizations whose knowledge and know-how about what the Government is doing is imperative.

I would also take it that we are the leaders of the Western alliance structure. For us not to consult our allies would be sheer murder. Bowie, of course, is perfectly correct in saying that we have to consult Congress, and the allies, and different parts of the Government.

Mr. PENDLETON. And then the final point is point number 2 there, in regard to the procedure of NSC on existing papers and policy. I would like to refer you to page 55 of "Organizing for National Security: Selected Materials," where Mr. Cutler discussed this, and I am sure you have seen that. The fourth paragraph there says:

Moving farther along the spectrum, we find the continuing review of all policies, including those approved by President Eisenhower. A national security policy is not created to be put in a glass museum case. As world events shift or take on new emphasis under more recent intelligence reports, there is need to subject policies to a fresh look. Periodically the Operations Coordinating Board reports to the Council on departmental and agency progress in carrying out currently

operative national security policies, on its judgment of the adequacy of failings of such policies.

In the light of that statement, do you feel there is a continuing review of existing policy?

Dr. PERKINS. Mr. Cutler says there was during his time, and then there sure was, because he is a man of enormous integrity, and I would have no basis for quarreling with what he says. I would register a caveat, however, which is that policies that get reduced to paper and countersigned by a lot of people are harder to modify than ones that have not gone through some kind of paper validation process.

But I would say that Cutler is obviously right, that there is a system for review, and I just hope that the barrier I have described is one that he finds easy to surmount.

Mr. PENDLETON. You referred to Mr. Cutler's time. So far as you have personal knowledge, is there any change in that procedure at the present time?

Dr. PERKINS. I have no way of knowing. I have no reason to believe it has changed.

Mr. PENDLETON. Thank you.

Senator JACKSON. Thank you, Mr. Pendleton.

Well, Dr. Perkins, as I indicated in the open session, your testimony has been most informative, and it has been constructive. I can add that your testimony in connection with the NSC that we have taken here in executive session has been very thoughtful. I know you have spent a lot of time on this particular area of government machinery. I do want to commend you for it.

Dr. PERKINS. Thank you, Senator. I have enjoyed being here, and if I have been of any help I am most pleased.

Senator JACKSON. The committee will stand adjourned until 10 o'clock tomorrow morning when we will resume our open sessions.

SCIENCE, TECHNOLOGY, AND THE POLICY PROCESS

TUESDAY, APRIL 26, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m. in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senator Jackson.

Also present: Senators Gore, Church, and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

This morning our subcommittee goes into its second day of public hearings on the subject of how our Government can best gear science and technology into foreign and defense policymaking.

The question now before this subcommittee is this: What is the right way to organize our Government to get the right scientific and technical programs at the right time?

Yesterday we heard from Dr. James A. Perkins, vice president of the Carnegie Corporation. Our first witness this morning is Dr. James B. Fisk, president of the Bell Telephone Laboratories and vice chairman of the President's Science Advisory Committee.

Dr. Fisk has combined a distinguished scientific career with notable contributions to the Government service. Most recently he has been intimately involved with the complex problems of disarmament. He served late last year as head of a technical group at the Geneva Conference on the discontinuance of nuclear tests.

In 1958 he was chairman of the Western delegation at the Geneva Conference which studied the possibilities of the technical violations of any agreement on test suspensions.

With this background, Dr. Fisk is admirably qualified to discuss some of the new problems we face in science, technology, and the policy process. The Chair might add that Dr. Fisk has been involved in many great and outstanding research activities bearing on the broad challenge to our national security.

He heads the largest laboratory in the world, and he is a distinguished administrator, and he is a distinguished scientist, and it is a real pleasure, Dr. Fisk, to have you with us this morning.

You may proceed in your own way.

STATEMENT OF JAMES B. FISK, PRESIDENT, BELL TELEPHONE LABORATORIES, AND VICE CHAIRMAN, THE PRESIDENT'S SCIENCE ADVISORY COMMITTEE

Dr. Fisk. Thank you very much, Senator Jackson. I am very glad to be here.

I have a prepared statement. Perhaps it should not be dignified in that way. It is really an elaboration of notes. If it suits you, sir, I would like to follow that statement.

In your letter to me of April 11, Senator Jackson, you have raised a number of difficult and important questions, principally concerned with the planning and coordination of scientific and technical activities of the Government.

The first three of these questions mentions the President's Science Advisory Committee explicitly, as well as the National Academy of Sciences and the National Science Foundation, and raises also the possibility of giving the President's Science Advisory Committee some statutory underpinning.

I would like to discuss this question, beginning with a few general observations.

Science and its applications—that is, the technology which science generates and supports—are essential functions of many of the operating agencies of the Government today, in Defense, Commerce, Interior, the Atomic Energy Commission, Health, Education, and Welfare, and the National Aeronautics and Space Administration, and so on.

Understanding of science and technology has become increasingly important to the Department of State, and a number of agencies exist only because of science and technology. For example, there is the Atomic Energy Commission, the National Science Foundation, the National Aeronautics and Space Administration, and indeed the Federal Communications Commission.

The Treasury Department and the Bureau of the Budget and even the Justice Department are continually faced with matters of high technical content.

Science can be viewed as one major element in our total national life. Or it can be viewed as a means to accomplish certain objectives. It is both, and both are important. We must avoid the danger of too much planning of our national science, but we must find more effective mechanisms for overall comparative judgments of national priorities.

To imagine that "science" as a whole could be abstracted from Government departments and agencies and set up somehow as a separate department—a Department of Science—is, I believe, unrealistic. It would be somewhat analogous to abstracting "economics" from these departments and agencies and forming a Department of Economics.

In saying this, I do not mean to imply that we have evolved the best mechanisms for handling our scientific problems, or that all scientific and technical activities have their best possible homes; or that all urgent technical undertakings are being carried out.

This would be unreasonable to expect because the nature and scope of these activities keep changing as the world moves ahead, and

Government needs constantly to adjust its mechanisms to keep up with changing conditions.

Nor do I imply that there is no need for comprehensive analysis, planning and review of our total scientific and technological activity, and the costs of such activity in Government.

I am saying only that a separate, comprehensive Department of Science seems to me to be inappropriate as an operating mechanism. I see no single, simple, administrative solution. But there are several administrative matters which, in my view, merit consideration.

First, regarding the analysis, review and advice concerning the overall science and technology within Government, in the recent past this function has been exercised in part by the President's Science Advisory Committee. The President's Science Advisory Committee is not a statutory body. It is not an operating agency. It is, as its name signifies, an advisory committee appointed by the President.

It has attempted to analyze, review and advise on numerous matters of high scientific and technological content, and it has attempted to look more broadly and on a longer time scale at science and research, and education for science and technology in the United States.

I believe that the functions which this committee has performed have been useful and constructive, even though because of limitations of time they have not been as comprehensive as might be desired.

I further believe that the functions of the President's Science Advisory Committee could be usefully extended. Therefore, I would suggest the establishment of the President's Science Advisory Committee by statute be considered, although the President's Science Advisory Committee has discharged its functions without statute and could continue to do so.

These functions might very well include the review and analysis of overall science and technology programs of the Government; to suggest priorities; to foster important fields of science which are undernourished and, incidentally, to identify those fields or those projects which perhaps are overnourished; to recommend initiation of projects whose ultimate utility may be foreseen; to advise the President on such matters; to enlist the National Academy of Sciences in its studies; and to work with the National Science Foundation and the recently formed Federal Council for Science and Technology to develop uniform practices where uniformity is desirable.

Now, a second area which I would like to say a few words about concerns the ways in which science and particularly technology can best serve specific national purposes.

Many competent people have observed that in areas of science and technology, where the Soviet Union has chosen to focus its talent and resources, it has done very well indeed.

For example, in science they are distinguished in mathematics, nuclear physics, inorganic chemistry, oceanography, and in other fields.

In World War II, where their needs were very great, they did excellent work on tanks, artillery, fighter aircraft, and so on. And, of course, more recently and very well known has been their performance with rocket motors, ICBM's and space vehicles.

It seems to me that the principal lessons are that the Soviets seem to have made a very careful choice of objectives, and then provided for focus and concentration.

The real question for us is this: Can we identify the truly significant national military and other objectives, then organize to focus our best technical efforts toward their achievement in order to insure the best supporting science and technology?

Please note that I am not now addressing the important question of science as a part of our culture, or as the unique source of whole new and unexpected advances; rather, I am talking about the ways in which technology and applied science can best serve specific national objectives.

By way of example, it seems to me that there are three dominant national military objectives for which we must be prepared. They are:

1. Defense of the homeland, or continental defense;
2. Long-range strategic warfare;
3. Military aid to our allies, or "limited war" capability.

These three are likely to remain as national military objectives indefinitely into the future. The three functions, or objectives, do not overlap one another in any very significant way. Yet each involves all three of our present armed services and each involves the technical developments stemming from the three services.

As a digression, I might observe that "competition" is a part of our American way of life. But internal competition is not the only spur to performance. Our real competition is external. We must never let internal competition divert us or weaken us in meeting our primary objectives.

One of your questions, Senator Jackson, bears on this matter; namely, the question concerning creation of the post of Director of Defense Research and Engineering. I believe this to have been an important step. Further, I am glad to see that Dr. York has organized his office in a manner consistent with the main point which I am attempting to make.

Thus, from the viewpoint of technology and science, increased focus is being provided. Focus is also being brought to broad functional areas—for example, communications—where common systems can serve many, if not all, operational requirements.

Now, the third point I would like to make, and finally, is that there is a question in the list which you sent to me concerning arms limitation, and the scientific and technological considerations involved.

These complex questions—in which science and technology are only a part—are extremely difficult, and of paramount importance. I do not believe that we can afford, as a country, to leave such matters primarily to ad hoc groups, even though they have provided very valuable help.

Continued study, analysis, experimentation, all are essential, closely knit with the political, military, economic, and other matters, from which the scientific and technical cannot be divorced.

Further, it seems to me that while the Department of Defense and the Atomic Energy Commission will always have a great interest and responsibility and will make contributions in this field, they should

not be expected to carry the burden both of maximizing and, simultaneously, minimizing arms.

I look for steps to be taken which will greatly strengthen us in future negotiations on disarmament.

These were the prepared remarks, Senator Jackson, which I had intended to make.

Senator JACKSON. Thank you, Dr. Fisk. I want to commend you for a most informative and a very fine analytical presentation of the questions that we put to you.

I would like to welcome to the committee this morning two distinguished colleagues from the Foreign Relations Committee, Senator Gore and Senator Church. Senator Gore has another committee meeting to attend, Dr. Fisk. He is in a position like many of us with several committee meetings on at the same time. In view of the fact that he must attend another meeting, I will turn to him first to ask some questions.

Senator Gore has taken a particular interest in disarmament, not only on the Foreign Relations Committee, but also on the Joint Committee on Atomic Energy.

Senator GORE. Thank you, Mr. Chairman.

Dr. Fisk, I gather the impression from your statement that you regard in this period through which we are passing an unplanned scientific program as being essentially on the defensive, vis-a-vis the United States and the Soviet science program.

Yesterday I heard, and I am sure you either heard or read the statement of Mr. de Gaulle, who advocated that we first deal with the missiles, the vehicles of delivery; that this should take priority over agreement on nuclear tests, and the nuclear warhead.

Our Government, as you know, along with Great Britain, has taken the view that we should first deal with nuclear tests, and the international conference is underway upon the initiation of President Eisenhower.

Now, what, in your opinion, is the realism involved? Which is the more important disarmament or, indeed, are they inseparable—the nuclear warhead or the ICBM or ICM, to deliver a nuclear warhead?

Dr. FISK. Senator, this is a very difficult question to answer. I grant you it is an extremely important question. It bears on what I have said here this morning, principally, I believe, in this way:

I feel that it is terribly important for us as a country to examine just such questions as you have now asked, to do it on a continuing basis with intelligent and dedicated people, well focused on problems of arms limitation and disarmament.

As of today, most such thinking has come from rather hastily organized ad hoc groups and these problems are too difficult, altogether too difficult, technically and militarily and politically and otherwise for any short-term view to come up with a sensible answer.

For the same reason, I feel that my own knowledge in this field is inadequate to give a good, well informed answer to your question.

Senator GORE. Then my deductions from your statement are reasonably accurate, that you feel it is necessary to have a carefully organized and planned program of science, of development, research and a careful program for planning this Nation's policies in this par-

ticular field with specific reference to disarmament and national security.

Dr. FISK. Yes, sir; I do. I feel that we could very well afford to spend perhaps 1 percent of the amount of money we spend on defense for this purpose.

Senator GORE. I think that I agree with that.

Now, you have said in response to my question that it is a difficult one and one which cannot all be answered on an ad hoc or temporary basis. You have also said that you do not feel capable of providing an answer now.

I can respect your opinion, but having seen you perform in Geneva and have heard you testify upon several occasions, I know of no one whose opinion I would respect more, even when given impromptu.

Therefore, I wish to inquire further. With respect to disarmament, do we have a careful plan of which you are aware or do we not?

Dr. FISK. I have not been a part of any study in this field nor am I familiar in detail with the status of our overall disarmament plans. My own association with a limited portion of this field has been solely on the technical aspects of the nuclear test ban negotiations.

So I am not, or I do not feel, Senator, that I am qualified to answer your question.

Senator GORE. Well, I will not press that on further.

Let us go to the specific question of nuclear test bans. Efforts are underway to reach agreement in this field. Most all men of good will must hope that a realistic agreement can be reached.

What meaning would an agreement on tests have, in your opinion, if there is no agreement on the use of the stockpiles presently in hand and further developed of rocketry and missiles to deliver those?

Senator JACKSON. Senator Gore, I just wanted to interrupt at this point. I told Dr. Fisk, and I will let him answer this any way he wants, that for the most part we would confine our discussion today to the mechanisms and the procedures in this broad area where science plays a most important role in national security.

I merely wanted to mention that because I did not have time to explain to Senator Gore the primary role of your appearance here today.

Senator GORE. Thank you, Mr. Chairman.

It is certainly not my desire to press Dr. Fisk to give answers which he is reluctant to give. From his testimony, it seems to me or I received the impression from his testimony that he felt the urgency for the need of careful organization and careful planning for an intelligent and provident disarmament program. Is that correct?

Dr. FISK. Yes, sir.

Senator GORE. And I asked this specific question because only yesterday we witnessed this wide divergency between our distinguished visitor and our own Government and Great Britain with respect to this particular problem. That is why I was undertaking to elicit from you some relation of this particular problem which apparently is being dealt with on an ad hoc basis, and not too much success.

Here is an example, it seems to me, a primary example for the need of planning and programing. I would be glad to have your comment on that.

Senator JACKSON. That is fine, as to procedures, and I want to say this: that Dr. Fisk, I think, is prepared to testify in general on procedures and mechanisms. I think what he wanted to stay away from, and I say this because Dr. Fisk wants to be very fair, but I think that he may have some reluctance just prior to meetings coming up to get into substantive matters.

I know he would be happy on this question, I am sure, to comment regarding procedures and the approaches that should be made.

Senator GORE. I will invite whatever comment you would be pleased to offer, Doctor.

Senator JACKSON. I am not acting as a censor here; I just want to be fair to Dr. Fisk, because our role is entirely related to machinery, but we do have to have a substantive base from which to start.

Dr. FISK. And otherwise there is no need for improvement of the machinery.

Senator GORE. Well, I have provided one.

Dr. FISK. I think it is terribly important for us to examine this whole collection of problems of disarmament, arms limitation, and so on, to determine what are the most important first steps, and how do you do them, and what are the interrelationships between science and technology, which is only a small part of the questions of control and monitoring, and what is the relationship between the technical aspects, and the political and military and economic and other aspects?

How can we really bring to bear the real strengths of our country to understand and provide a basis on which we can go ahead forthrightly and safely?

A great deal of the good work is done, and a great deal of good thinking is done in the Government and elsewhere. But I feel that we have no central focus for this, no way in which we can draw in the kind of talent that this problem demands and deserves. This is my point, Senator.

Senator GORE. I think that I agree with you there, Doctor, but with or without focus we are engaged in an international conference right now with several other powers on the problem of disarmament. A summit conference is to be held within the next few days, and the leader of France is here, and the leader of Great Britain has just been here, and the leader of Russia has been everywhere.

Although we may not be in focus, I think it is necessary, as you say, for this country to develop carefully a *modus vivendi* of bringing the problem into focus and making our own long-range plans to meet the problems.

Dr. FISK. Please understand, Senator Gore, I am not asserting that we have done badly. I am simply saying——

Senator GORE. You are asserting that we have acted, shall I say, in an ad hoc manner.

Dr. FISK. No. I am simply saying that the problems are too difficult, as I discovered in my own service as a delegate. The problems are too difficult and too complicated to treat lightly. I think we have learned some lessons.

What I am saying is that these matters deserve much greater and much more concentrated attention in the future.

Senator GORE. I have one further question, and I shall desist.

You and I were in Geneva, and here is a problem on which we focused to the extent of our ability, a problem on which our Government focused to the extent of its preparations, to the extent of its plans.

My question is, from your observation, was the U.S. Government adequately prepared for the nuclear weapons test conference which began November 1, 1958, when it began?

Dr. FISK. Are you now speaking, sir, of the political conference?

Senator GORE. Yes, which was based, of course, upon, shall we say, the findings and compromises and the views of the technical conference.

Dr. FISK. There were no compromises in the technical conference that preceded the political conference. The foundations, technical and scientific, which were then available to the political conference were those based on the best technical evidence which we then had.

As we know, subsequent information showed that we had been somewhat too optimistic. I feel that we perhaps should have at that time developed a program to support our political negotiators which might have put us in a better position today than we are in.

Senator JACKSON. Dr. Fisk, might I interrupt at this point to say that the Department of State has been very candid on this point, and I thought that I just might mention to you that when Mr. Hare, representing the Department of State, appeared before the Appropriations Committee in February of this year, the House Appropriations Subcommittee, they asked for \$400,000 for disarmament studies. That is a \$400,000 item for disarmament studies.

He made this statement, which I think corroborates your very frank presentation of this problem, and I quote from page 111 of the hearings:

What is lacking is a sustained study effort concerning the effect of various possible arms control agreements on the United States, allied and Soviet capabilities, together with future exploration of new possibilities of arms controls which might enhance U.S. security.

I think this statement corroborates your testimony here this morning, and it is the official position of the Department of State.

Excuse me, Senator Gore.

Senator GORE. Well, Doctor, there is one thing that has perplexed me and I wonder if you have an explanation. Our Government took a position with respect to all tests, and the stoppage of all tests in Geneva on November 1, 1958.

Only a few days prior thereto, and perhaps that may be one explanation, it was only a few days prior thereto, the Hardtack series of tests were conducted which rendered the scientific base of our position as of November 1, 1958, as you have said, unrealistic and unfounded.

Would it not have been better to have had the results of this test properly, shall we say, analyzed or extrapolated or whatever term is appropriate, before taking a position? Should the convening of the conference have been postponed until after this information could be analyzed, or should the tests have been held sufficiently advanced before that time?

Just how did we get, if you can say as a scientist, how did we get into this position of going to Geneva on November 1, 1958, with a

position which at least some scientists in our Government knew at the time was unrealistic and unsupported by the new evidence?

Had it not been sufficiently analyzed for our Government to know it, or was this bureaucratic slowness in adjusting to new facts? Do you have an explanation for it?

I am not asking you to defend anything or take a partisan position. If you know the answer to it, I would like to have it.

Dr. FISK. You have asked me a rather difficult question which involves judgments and decisions. A decision was taken so far as I am aware before the Hardtack series began; namely, in August, but it is not true——

Senator GORE. You mean the political decision?

Dr. FISK. To hold the conference on November 1.

Senator GORE. When was the position taken, the decision on the position? Do you know that?

Dr. FISK. I am not sure that I know exactly what you mean, sir. The decision to proceed with political discussions, I believe, was taken on August 22. However, let me, if I may, correct one point which you have touched on, sir.

The basis for all but the small underground tests has not been challenged. The results on which this decision was taken in August are still valid so far as I am aware. There has always been some threshold below which everyone has known it would be extraordinarily difficult to detect underground tests.

This we thought in Geneva in 1958 was perhaps 5 kilotons under most circumstances, with some smaller probability of 1 kiloton. The results of the Hardtack series showed that 5 kilotons was probably not right, and it was more nearly 15 or 20 kilotons. That is what the Hardtack series showed, with respect only to underground tests.

So the rug was not completely pulled out from under us. A small portion of the rug disappeared.

Senator GORE. Do you think that this is an example in which a more carefully organized and planned program could have brought the subject matter into sharper focus and more careful analysis and position as a result?

Dr. FISK. I think, sir, we learned this as a result of our activities in Geneva.

Senator GORE. Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Senator Gore.

Dr. Fisk, I wonder if I could put this question to you: Would it be fair to say that we face a broad challenge from the Sino-Soviet bloc, that is, militarily, and also economic and psychological, and on the disarmament problem, and I take it that just as we must plan for a military defense and just as we must be prepared, if necessary, to engage potential enemies in the economic field, we must obviously be equally and competently prepared to deal with this broad challenge of disarmament.

Is that a fair statement? It started out to be a question.

Dr. FISK. I accept your statement.

Senator JACKSON. That has to do with the importance of disarmament.

Would you feel that disarmament is a part of this broad Soviet, or Sino-Soviet, challenge?

Dr. FISK. I have no reason to believe, in terms of my own experiences, which are limited to dealing with the Soviets, a small group of their scientists—I have no reason to believe that they are not very much interested in arms limitation. It seems to me we have every reason, both internally and because of this demonstrated or presumed interest on the part of other countries, to understand every aspect of this very difficult question.

My main point has been simply that as we have learned in the past several years, and as we have found how difficult these problems of monitoring and control are, and how difficult it is to separate them from the broader political and military and economic kind of questions, I think it has been very clearly demonstrated that we need to do more, and a great deal more, in a more consistent and continuing way than we have done so far. This is a rather wordy answer to your question.

Senator JACKSON. I can probably state it another way: That what you are saying is that we must be competently prepared to deal with the problem of disarmament just like we must be competently prepared to provide for an adequate defense.

Whatever we go into, we must realize that preparation and the adequacy of it is essential as it bears on our national security.

Dr. FISK. That is right.

Senator JACKSON. Now, I wonder if I might ask a couple of more specific questions.

Can you give any indication in a more specific way as to our main shortcomings in organization for disarmament whereby we can profit in the future? I ask that question in a spirit of fairness, because this is a new adventure for us, especially in this scientific facet of disarmament.

This country has been in disarmament conferences before, but never have we had to face such a difficult problem in the area of disarmament.

I particularly wanted to commend you for your statement that we could afford to spend at least 1 percent of our defense effort in disarmament. I think when we do that we also provide for our own defense, if I may state it in a rather contradictory way, or what might appear to be a contradictory way.

Dr. FISK. They are very closely related. I do not believe, Senator Jackson, that I have any really specific points to make here. We have learned by experience that the problems are tougher than anybody thought.

All I am suggesting is that we should take advantage of the experience we have had so far and insure that we are prepared for any future negotiations, as well as we can be.

I have nothing really specific. I am sure that this point is understood by many, many people in Washington and I have no reason to believe that our experiences of the past will be not taken advantage of.

Senator JACKSON. Some substantial improvements are now underway; are they not? I believe there was a new setup announced not too long ago, or a few weeks ago, to better coordinate the effort.

Dr. FISK. I am not familiar with the details, Senator, but I would be very much surprised if very active steps were not being taken here.

Senator JACKSON. We are, of course, providing a small sum, I believe the House has approved the \$400,000 to aid the Department of State in its effort in doing further work in this field. I was particularly intrigued by your statement where you said:

Further, it seems to me that while the Department of Defense and the Atomic Energy Commission will always have a great interest and responsibility and will make contributions in this field, they should not be expected to carry the burden both of maximizing and, simultaneously, minimizing arms.

I think that is an unreasonable burden on those departments. I wonder if you could elaborate a little bit on that?

Dr. FISK. Well, it seems to me a fairly basic principle of organization that you can hardly expect the man who is asked to sharpen his sword to use the same stone to dull it.

Senator JACKSON. There might be a slight conflict of interest, or of human interest, and very understandably so.

Dr. FISK. Now, this does not mean that there is not a great responsibility and interest on the part of everyone in this matter. But to imagine that the man who is asked to optimize our military strength should simultaneously be asked to limit it, I think is asking too much.

Senator JACKSON. All right. I will defer my questions. Senator Church has a question. Senator Church is also a member of the Foreign Relations Committee. He has taken an interest in these broad problems.

I just want to mention again, Senator Church, that our primary mission in this committee is to try to improve the organizational structure bearing on the broad challenge to our national security.

Senator CHURCH. Thank you, Mr. Chairman. I want to follow up with Dr. Fisk the line of questioning that you commenced a minute ago, but let me say in the way of a preface that I remember a long time ago when I was a boy and collected model ships that it was often said that our battleships constituted our first line of defense. So I collected models of battleships.

Then Pearl Harbor came along, and the attack upon our battleships was 90-percent effective. We did not get any battleships into service for more than a year, or 18 months, after the attack, and the war in the Pacific was won without them. The main reliance was upon submarines and aircraft carriers.

So sometimes the notions that we have with respect to what most contributes toward national security are very ill founded. I think perhaps today it is not a misstatement to say that effective and enforceable disarmament is our first line of defense because the alternative degree of security that armament brings is so pitifully poor compared to what security we would have with effective and enforceable disarmament; that this ought to be the primary goal of every effort directed toward promoting national security.

Would you think that a fair statement so far as the assessment of priorities are concerned?

Dr. FISK. I certainly feel that we cannot afford in this country to leave any stone unturned in understanding this whole complex of questions of arms limitation. I see no security and no real stability in a continuing arms race.

Senator CHURCH. I am fully in accord with you on that.

Now, with respect to the procedural arrangements in the pursuit of the control of arms, I, too, have been drawn to the statement that you made in your prepared remarks when you said that you did not believe that we can afford, as a country, to leave this matter primarily to ad hoc groups.

Then you said further:

It seems to me that while the Department of Defense and the Atomic Energy Commission will always have a great interest and responsibility and will make contributions in this field, they should not be expected to carry the burden both of maximizing and, simultaneously, minimizing arms.

Now, if I could take that general statement and apply it to one or two specific situations, let me ask you this question: At the present time it is my understanding that the Atomic Energy Commission is charged under the law with ascertaining the degree of radioactive fallout in the atmosphere and of determining the extent to which such fallout may constitute a hazard to the public health.

Inasmuch as this matter weighs heavily upon public opinion everywhere in the world and is felt to be a real and provocative source of anti-American feeling, and certainly was a major factor in bringing on the negotiations at Geneva, do you feel that this is the kind of responsibility that ought properly to be exercised by the Atomic Energy Commission, or is it, by its nature, a responsibility that could better be exercised by an independent agency that is more directly charged with the duty of protecting the public health, such as the National Institutes of Health, or some agency under the Department of Health, Education, and Welfare?

In other words, is this a logical place for a division of authority; to ask the AEC to conduct this kind of test and make this kind of assessment is rather like asking the prosecutor in a case to be the judge, is it not?

Dr. FISK. Well, it would seem to me entirely reasonable for the collection of information to be handled, as I believe it has been in the past, by the Atomic Energy Commission. The question of what tolerance is acceptable and things of that kind it would seem to me to be more appropriately handled by the Department of Health, Education, and Welfare, for example.

Senator CHURCH. We are still in agreement then, Dr. Fisk.

Now, I am told at the present time there are relatively few people in the Government engaged directly in the matter of disarmament, and that the largest group that we have, although comparatively very small, is a part of the military with offices in the Pentagon.

I think you have already made your position clear, if I can paraphrase it, that to expect the military to both sharpen and dull the sword is rather like expecting the National Distillery Association to be the proper agency to head up a drive for abstention.

Would you think that we ought to create within the Government an independent agency or an independent group operating, let us say, under the jurisdiction of the State Department that would channel the necessary work that relates to the scientific aspects of disarmament, let us say?

Senator Kennedy has made a proposal of late that we should establish a kind of national research organization for peace and give it sufficient funds and personnel to thoroughly examine these complex

technical problems that are involved in the establishment of an effective inspection and control system for any kind of disarmament plan.

He points to the lack of adequate and sustained research in this field. He relates this to the difficulties that we have encountered, for example, in Geneva.

So he proposed that we set up this National Research Organization For Peace that could carry on sustained work under the general direction of the Department of State. What would be your reaction to this kind of effort?

Dr. FISK. In general terms, Senator Church, I would strongly endorse it. Precisely where it should be set up is another matter which seems to me to be somewhat secondary. However, I would urge this:

I think that it is unrealistic to imagine that the technical and scientific aspects of these matters can really be drawn off to the side and examined without being mixed in as a part of the overall problem. I think that we must remember that the technical things are almost inextricable from the diplomatic matters.

For example, if you decide that you are going to talk about a certain scientific-technical matter, and not about some other, there is implicit in that decision a political component. These cannot be handled effectively without very close cross linkages.

So I would urge that when we set up whatever may be set up, that the whole cross section of talent and the whole cross section of problems be included.

Senator CHURCH. I certainly agree with that. I think perhaps it was that consideration which led Senator Kennedy to propose that this be established under the auspices of the State Department so that the research activity could be carefully and intimately correlated with the political considerations that were involved.

That is all I have, Mr. Chairman.

Senator JACKSON. Thank you, Senator Church.

Senator Bush, we are very pleased to have you with us.

Senator BUSH. I was not here for the testimony, and I will not ask any questions.

Senator CHURCH. If I could ask one question, and for the record, and I do not know whether you can supply this answer, but knowing the astronomical amounts we are now spending for defense, I wonder if we could supply for the record and I would suggest that we do, some computation of the amount of money that is now being directly spent in efforts that are directly related to disarmament in the various agencies.

I think for purposes of comparison, those figures ought to be brought out in relief very clearly in the record.

Dr. FISK. Well, Senator, the amount is not trivial. There are, for example, very substantial programs which have just been commenced within recent months on seismology and the improvement of underground detection. However, the amounts that are being expended and the effort that is being expended in this comprehensive field, setting aside this seismological thing, is relatively small.

I think the \$400,000 that was mentioned turns out to be something like one-thousandth of 1 percent of our defense budget.

Senator CHURCH. One-thousandth of 1 percent?

Dr. FISK. Someone should check my arithmetic.

Senator JACKSON. If the defense budget is \$40 billion, the straight military budget, I think that would be correct.

Senator CHURCH. I think it may be fair to say on the basis of those figures that there is hardly any room at the inn for peace.

Dr. FISK. There are some extraordinarily competent and dedicated people in the Defense Department, and in the State Department and the various executive branches and, of course, here, who are very much interested and concerned, but nevertheless, taken altogether it is a rather small effort.

Senator JACKSON. Senator Church, I think that you have made a very proper request, and while the indivisibility of this problem is so enormous and, therefore, a breakdown accountingwise is a bit difficult, I do not see why we could not ask the State Department to supply us to the best of their ability with a reasonable estimate of what is going into the specific area of disarmament.

(The following letter was subsequently received from the Department of State:)

DEPARTMENT OF STATE,
Washington, June 1, 1960.

HON. HENRY M. JACKSON,
*Chairman, Subcommittee on National Policy Machinery,
Committee on Government Operations, U.S. Senate.*

DEAR SENATOR JACKSON: In your letter of April 5, 1960, you asked the Department to obtain for your subcommittee as accurate an estimate as possible on how much the Federal Government is spending on disarmament.

As you indicated in your letter, it is indeed difficult to state a precise figure, since a number of agencies, their programs and personnel, deal with this problem in an indirect fashion. In view of this, the Department decided to base its estimate only on those funds directly allocated within the Federal Government to furthering disarmament efforts. On this basis the Department estimates the total sum for fiscal year 1960 to be approximately \$19 million, the major portion of which has been utilized by the Department of Defense and the Atomic Energy Commission for research on the problem of underground test detection.

I might add that if it was possible to account accurately for indirect contributions made toward the Government's disarmament efforts, the above figure would obviously increase, although not by any substantial amount.

Finally, as a point of interest, I would note that the Federal Government's requested appropriations relating to disarmament for the coming fiscal year are some five times greater than the amount estimated above as allocated for fiscal year 1960. Here again, however, the greatest portion of the requested funds would be used by the Department of Defense and the Atomic Energy Commission for test detection research. There is included in this figure the sum of \$400,000, mentioned in the transcript of the hearings that you enclosed, which the Department had requested to carry out urgent studies on disarmament.

I hope the foregoing information will be of assistance to your subcommittee.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
Assistant Secretary.

Senator JACKSON. I think that it just corroborates Dr. Fisk's point that these things are indivisible, and when you are working on disarmament you are working on defense, and when you are working on defense—and I do not mean to quote you—you are working on disarmament.

It is like trying to separate the military and the civilian implications of new research in new areas, is it not, in some ways?

Dr. FISK. In some ways I would say yes.

Senator JACKSON. Now, Dr. Fisk, I wonder if you might comment in general terms with reference to the organizational structure in the Department of Defense.

I want to preface it by saying that those of us who have served on the Armed Services Committee feel in many ways the proper organization of the Department of Defense is like the problem of death and taxes, and it seems to be with us always.

I want to say, too, that this is a problem, as I see it, of all administrations. This has been going on from time immemorial and every President has had to contend with it.

Dr. Perkins yesterday made a couple of comments that I would like to refer to. In his testimony he made this point:

Just as modern weapons require military knowledge in the State Department, modern weapons and derived modern strategy have made largely obsolete existing organization in the Pentagon.

Then he went on at the end of the paragraph and said this:

The hard, unvarnished truth is that it has been impossible to assign tasks on a functional basis along existing service lines.

Do you not feel that part of this, and a very substantial part of this great problem we face in properly organizing for national security must some way and somehow be resolved in the Pentagon?

Dr. Fisk. One of the primary problems, Senator Jackson, appears to me to reside there. I have thought about this question for some time. I had included a few words, perhaps somewhat too cryptic in my prepared statement, that relate to this matter.

I have tried to look at it primarily from the point of view of how best to support our national military objectives through technology and through science, rather than to pose as an expert on the organization of the Pentagon from a strictly operational point of view.

It seems to me that whether you are talking about the Department of Defense or one of the other departments, or business, or anything else, the first thing that you have to decide is what business you are in. I do not think that we can legitimately say any longer that the business we are in—the national military objectives—can be adequately organized in terms of method of transportation.

When you say that, it sounds facetious, and it grossly oversimplifies the matter, but nevertheless, the main problems facing our country from a military point of view do not divide naturally in terms of airplanes, tanks, or land vehicles, or ships. They are quite different.

Now, one of the problems that we have been faced with in the past and still are faced with is the problem of continental defense. Each of our present three services is deeply involved, and yet there is no direct way in which science and technology can focus on this collection of highly technical problems in any, I would say in the optimum way. It is done through rather tortuous routes.

Senator JACKSON. We had that problem up last week, Dr. Fisk. As I understand the present arrangement, it is that each service decides what they are going to contribute to the continental air defense, or North American air defense. But the overall operational commander, and he is under a unified command, does not initiate the budget to meet his requirements. He is merely advised in the end what will probably be recommended, and each service can likewise control what they want to put in and what they can take out.

Is that a part of this problem?

Dr. Fisk. I think it is a part of the problem. As I mentioned in my prepared statement, Senator Jackson, I think that there is a recog-

dition commencing, and perhaps it has existed for some time, but there is certainly a recognition in the Department of Defense of some of these matters.

The organization headed by Dr. York, and the Defense research and engineering, is set up with focus on some of these large, major problems that the country faces, independent of a particular service.

The same argument, I think; namely, deciding what business you are in before you can really bring your forces to bear on optimizing, applies at almost any level of a major problem. But the important thing is that you must focus on what it is you want to accomplish as your ultimate objective.

We certainly do not have today an organizational framework that is ideal for that purpose.

Senator JACKSON. Well, I think that is a very excellent evaluation of the problem. I wonder if you also feel whether or not in that connection it is possible at the top to really balance out the requirements for the three areas that you mentioned; namely, the continental air defense, long-range strategic requirements for strategic warfare, and then the requirements for limited war, when each service decides within their role and mission what they are going to contribute?

In the end, is it not a very difficult thing, indeed, to try to balance what you are going to give to these three specific areas?

Dr. FISK. If these are the proper three, and this is my own private view, they may very well be the proper three.

Senator JACKSON. I do not think you have left anything out.

Dr. FISK. You might break out control of the seas in some way and separate it, but if these are the proper three, then it seems to me that they have to be looked at in terms of the objectives and not in terms of who contributes something from the sides.

Senator JACKSON. That is very good.

Now, Doctor, I want to commend you for your statement regarding a department of science. I think that we Americans have a habit of wanting to appoint a committee or set up a department to end a problem that is bothering us. I think this is a natural reaction.

Science is playing a very important role in this 20th century—that is, science and technology—and there are those who feel we will just set up a department and we will solve this whole problem of science and technology.

I was pleased to note your comments that you are opposed to such a department. It would be much like setting up a department of economics even though economics is in every department of the Government, and you would separate it and put it over into a separate department.

I think it is fair to say, is it not, that science has an influence in practically every department of Government today.

Dr. FISK. I believe this is a fair statement.

Senator JACKSON. And to try to put it all in one department would be—shall be say there might be a little bit of reaction and feeling from other departments that they are trying to intrude and it is not that easy to simplify it by putting it all in one place.

Now, I was also interested in your comment about the President's Science Advisory Committee. I want to say that I personally feel that the President's Science Advisory Committee has done a fine job.

I think it has served a most important purpose both under Dr. Killian and under the present director, Dr. Kistiakowsky.

I am concerned that the fine work that they have been doing be continued, and, therefore, I was very much interested in your suggestion that we should consider the possibility of a statute.

Is it not fair to say that we in this country do have at this time at least the advantage in scientific talent? The problem is the wise use of that talent. Is that a fair statement?

Dr. FISK. I think that is a fair statement, Senator.

Senator JACKSON. Now, Dr. Fisk, what has disturbed me is that there are so many scientific undertakings going on in each department of the Government, and in many ways they are limited by their own limitations within their respective departments.

It seems to me that at some point in our governmental structure some group such as the President's Advisory Committee should be in a position to know what is going on so that those resources, scientific resources, are properly utilized. Do you feel that this is essential?

Dr. FISK. I believe it is essential, and at least for the recent past in part this function has been provided by the Science Advisory Committee.

Senator JACKSON. Do you feel it has been helpful in trying to bring together the various undertakings by the various research departments within the Government?

Dr. FISK. I think it would be immodest for any member of the committee to answer that question.

Senator JACKSON. We will not treat it as a self-serving declaration.

Dr. FISK. I think that there is evidence that they have performed a useful function.

Senator JACKSON. And I take it it is also your position that it is helpful to be able to identify the critical and the important projects in this scientific area so that maximum pressure can, if necessary, be used, or maximum effort can be made.

Dr. FISK. There must be some mechanism somewhere to perform exactly that function, and it is often extremely awkward to ask any particular department or agency to do this. Someone must look at the overall collection of things and make some judgments.

Senator JACKSON. Isn't it also important, too, to eliminate some projects that are obviously costing money that we could save, and possibly interfering and detracting from critical and urgent projects?

Dr. FISK. It is extremely important, and not easy.

Senator JACKSON. And you cannot have departments reach over into other departments very well and make that decision. In the end it must be at the summit, at the Presidential level, and otherwise you run into this jurisdictional difficulty. Is this not true?

Dr. FISK. You certainly lose friends.

Senator JACKSON. Well, are there any other questions?

Mr. Pendleton, will you go ahead?

Mr. PENDLETON. Dr. Fisk, I concur heartily in what the chairman has said here about the action of the President's Advisory Committee. I think it has done a tremendous job in coordinating information on the scientific field of the Government, and in being advisory to the President.

I think that it might be useful for the record if at this point you could comment a little bit on the nature of the committee, what it does, and when it was created. Then at the same time tell us a little bit about the Federal Council for Science and Technology which I think does a job in a similar field, but not in the identical field, and comment on what it does.

I have the impression here that we have created the idea that there is not machinery to plan in the scientific field, and I think that that is understating the work that your group and the Council is doing. Could you fill us in a little bit on these two groups?

Dr. FISK. I would be glad to attempt to do that.

I would think it perhaps most effective to refer to several documents which have been issued either from the Science Advisory Committee, or talks that Dr. Killian or Dr. Kistiakowsky have given to give the detail of what the committee is and what it has done, and how it operates, and so on.

There is one such publication from the White House on "Education and Science," and another on "Research," and it was the second which recommended the establishment of the so-called Federal Council of Science and Technology.

The Council itself consists of responsible individuals from each Government agency or department which has a strong scientific and technical component. I have not been directly involved in the meetings of this group, but they do meet together to discuss common problems.

I think they have a useful function to perform in getting certain uniformities where uniformity is desirable. While I think the Federal Council has a useful function to perform, I do not think that the Federal Council can be expected to act as the analytical overall group which reviews and appraises Government programs in science and technology across the board. I do not think this can be expected for a number of reasons.

It is very difficult to be divorced from one's own immediate self-interest, and it is very difficult to get away from the day-by-day demands on time. Therefore, while I feel that the Federal Council has a useful place, I feel there is a real need for something like the President's Science Advisory Committee, composed in somewhat the same way it is now composed, that is, drawing from all fields, from all over the country, and on a rotating basis, so that one always has access to the entire technical community and to fresh ideas.

The people who have served on this to date have served with a great deal of time, and a great deal of attention to major problems, and I think even though it is a part-time group that they have been able to perform this review and analytical function.

Mr. PENDLETON. Do you believe the combined activity of the Council and the Committee has resulted in better scientific planning in the policy field?

Dr. FISK. I think the slope is positive. How much better is not for me to say. I think we have found mechanisms which have served usefully in Government.

Mr. PENDLETON. When you said the slope is positive, you mean the advent of these groups has brought about improvement in the field of policy planning where science is involved?

Dr. FISK. Yes, this is the shorthand way for a technical person to say just that.

Mr. PENDLETON. We are very limited in some of these terms and so you will have to help us to interpret.

I would like to read to you from the Wall Street Journal of Thursday, March 24, a comment from a very short editorial and then see what your reaction is to it. I am now quoting from this, that is, I will quote in part from this article:

"It is a gamble," Secretary Herter said of the May summit meeting. His attitude disturbed some of the members of the Senate Foreign Relations Committee where he was testifying.

There seemed to be some question that he was going without purpose, without hope of success, to the summit meeting. Now I will return to the quote:

Mr. Herter, however, had not said quite that. The U.S. purpose in going to the summit is that the state of the world is too dangerous to refuse to sit down and talk with potential enemies at any level. The United States plans to talk about a number of outstanding East-West issues like Berlin, and disarmament, concerning which the United States has rather definite policies. As for hope of success, that is indeed another matter.

It would be remarkably foolish to enter this meeting in an aura of optimism. This is so not only because of the almost total intransigence the Soviet Union has exhibited in the 15 years since World War II. It is also because, as Mr. Herter noted, it would be unrealistic to suppose that the Messrs. Eisenhower, Macmillan, De Gaulle, and Khrushchev could solve the great international disputes in a few days' time. The world would be entitled to deep misgivings if they announced they had.

For one of the dangers in a summit conference is that hope of success—the West's desire to abate the nuclear nightmare—will bring hasty agreements in which freedom is the loser. That is always the gamble in talking with the Soviets, and in some previous encounters freedom has lost. The best guard against that now is to approach the meeting, as Mr. Herter is doing, with a justifiable degree of skepticism and pessimism.

Do you agree with the statement in this editorial?

Dr. FISK. It would seem to me to contain quite a few statements.

Mr. PENDLETON. I will make it more specific.

Do you believe that Secretary Herter went to the meeting at the summit without a plan?

Dr. FISK. No, I am quite sure that the Secretary has thought about this very hard, indeed. I hope nothing that I have said would imply that this was not so. What I have implied and tried to say fairly directly is that these are difficult problems and they range over a great variety of fields, and you just cannot be too well prepared.

Senator JACKSON. May I make clear for the record that this committee is not assuming that we do not have mechanisms to do this job, that is, for science to play an important role in the Government. What we are trying to do in the course of the hearings is to improve mechanisms, and I hope we will always be in that position in this country.

I have tried to pay tribute to the President's Science Advisory Committee, and I think that they are doing a good job, and we want to help not only the President's Science Advisory Committee, but other mechanisms, to be improved so that this country's overall posture will always be at the best level.

I just wanted to say that.

Dr. FISK. I hope the remarks I have made, Senator Jackson, would be construed in the same way. We are looking for better mechanisms.

Senator JACKSON. And constructive suggestions.

Dr. FISK. Sometimes by way of example you will say something, perhaps about the Defense Department or the State Department, or whatever, to illustrate where it might be improved. This does not mean that it is entirely inadequate.

Senator JACKSON. Some of these problems have been with us for many, many years, and not only in this administration but in previous administrations.

Dr. FISK. Yes, sir.

Mr. PENDLETON. This is the sort of thing I did want to get into the record. Self-criticism is a great quality of Americans, and as long as we recognize that is part of our way of life, we will do all right.

Dr. Baxter, who was one of the earlier witnesses before this committee, made the following statement:

President Eisenhower has made repeated efforts to break through Russian intransigences and obtain a satisfactory solution in the disarmament field. They include some of the most imaginative moves the United States has ever made on the international chessboard—the "Atoms for Peace" proposal of 1953, the "Open Skies" offer of 1955, the offer to Bulganin of March 1956, the negotiations for the suspension of nuclear tests, a very important proposal for safeguards against surprise attacks.

Do you have any further comments to make on the efforts that are being made at this time to work out something with the Soviet Union?

Dr. FISK. I do not believe I have any comments to be made here.

Mr. PENDLETON. Now, in your testimony you referred to the problem of the Atomic Energy Commission and the Department of Defense both maximizing and simultaneously minimizing arms. I think for agencies perhaps that does present a problem. On the other hand, I think that we should not overlook the fact that there are individuals connected with such agencies or formerly connected with them who do not, by their very connection, become inured to one way of life, either war or peace.

I think that you recall General Marshall, whose perhaps greatest fame was as a general, but you are aware of his efforts in the field of peace. I think we should not pass the fact here that he was granted the Nobel Peace Prize because of his efforts in that field.

Turning to the other agencies that are also concerned with disarmament and peace, could you tell us what people there are and what they are doing in the White House and the Department of State in the field of disarmament? I think that your main reference was to Atomic Energy and the Department of Defense. I think these other agencies should be referred to.

Dr. FISK. I do not have, Mr. Pendleton, a comprehensive knowledge of all agencies or very many agencies, or precisely what they are doing. My information is pretty well restricted to the nuclear test discussions and negotiations to which, of course, the State Department and the Department of Defense and the Atomic Energy Commission have all contributed a great deal.

I hope you will not misunderstand my somewhat cryptic remark about both maximizing and simultaneously minimizing arms. Perhaps that might have been expanded into a paragraph for further clarity.

But it does seem to me that to expect the Department of Defense or the Atomic Energy Commission to take a leading role in understand-

ing and working toward arms limitations is somewhat unreal. They obviously have great interest, and they have responsibilities, and they must always be a part of decisions, but you can hardly expect them to work with equal enthusiasm in both directions.

Mr. PENDLETON. But in the Department of State, which is also the department of peace, such as we have it, has not the Secretary there taken the leadership in this field by appointing a special assistant for disarmament and atomic energy?

Dr. FISK. Yes; and under his special assistant there is a small and able and very dedicated group.

Mr. PENDLETON. Thank you.

Senator JACKSON. I have just one point to cover. I think, Dr. Fisk, that we want to give serious consideration to probably some statutory underpinning to the President's Science Advisory Committee so that we can have the benefit of the fine work that they have been doing over the years.

Would you say that if that should be undertaken, the people who serve on the council or the Committee, many of them at least ought to be on a rotating basis, so that you would have the benefit of new faces and new ideas from time to time?

Dr. FISK. We have felt that this was a virtue. There has been, both on the present Committee and its predecessor, which has existed since 1952, a rotation. It takes off some very valuable members, but not permanently. It has real virtues.

Members have worked very hard and they have spent a good deal of time, and to ask one person to serve indefinitely perhaps has disadvantages. So I believe that rotation on some modest basis of 3 years, or whatever, is good.

Senator JACKSON. That is a director would come in for a period of 3 years, or whatever the case may be, and then rotate the members who will serve on it and have them come in for periods of time, to serve 2 or 3 years on it, on a call basis?

Dr. FISK. I think that the man who is Chairman—I might explain that the Chairman of the Committee has always been chosen by the members. Dr. Kistiakowsky, the Chairman, is the President's Special Assistant for Science and Technology, and this was the case with his predecessor, Dr. Killian.

Before that time the Chairman was whoever the Committee chose. Now, the Committee has chosen the President's Special Assistant who has been a member of the Committee in each case.

I think that this question should be examined. It has worked very well, but it would be quite dependent on the relationship between a special assistant and the man to whom he reported.

Senator JACKSON. That is very fine.

If there are no further questions, we will turn to our next witness, and before you leave, Dr. Fisk, I once again want to express the appreciation of this committee for your very fine and helpful and constructive and informative and last, but not least, candid presentation of your views.

I want to assure you that our objective is to try to bring about some constructive improvement in this all-important area, and to that end we are grateful to you, sir, for your help this morning. We will undoubtedly call on you again before we get through.

Dr. FISK. Thank you, Senator Jackson.

Senator JACKSON. Our second and next witness will be Dr. Pickering. I want to say that this afternoon we will reconvene to hear our third witness of the day, Dr. Mettler.

Dr. William H. Pickering is the director of the Jet Propulsion Laboratory at the California Institute of Technology.

Dr. Pickering has been associated with the laboratory for the past 16 years. He has been responsible for the direction of critically important programs in the missile field.

In addition to his work on Government scientific committees, he has served on a number of top advisory groups, and he is now a member of the Army Scientific Advisory Panel.

Dr. Pickering, we are honored to have you as a witness at our hearings this morning on the subject of science, technology and the policy process.

I believe that you have a prepared statement.

Dr. PICKERING. Yes, sir.

Senator JACKSON. You may proceed in your own way.

STATEMENT OF WILLIAM H. PICKERING, DIRECTOR, JET PROPULSION LABORATORY, CALIFORNIA INSTITUTE OF TECHNOLOGY

Dr. PICKERING. Mr. Chairman and gentlemen, I feel honored to be asked to appear before your committee. I believe that I should candidly admit that when I was first invited by Senator Jackson to express my views on the profound questions which this committee is considering, I approached the matter with some degree of apprehension. I do not consider myself, in the least, to be an expert on Government organization and the remarks that I have to make today are based essentially on my experience in the field of scientific education, my associations with the military service, and in managing a research and development organization now committed to advancing the national interests in the peaceful exploration and exploitation of space.

My experiences have caused me to develop certain definite viewpoints and I believe that possibly I can best serve the interests of this committee by highlighting some of these and expressing my opinion on what needs to be done to improve the national position in the increasingly important area of science and technology.

I should like first, however, to express several personal convictions which I hold. I shall not elaborate on these since I am sure that other competent witnesses before this committee have treated most of these in considerable detail. I recount them here only to provide a frame of reference for my remarks that follow.

I am firmly convinced that this Nation is now involved in an all-out struggle whose outcome will determine whether the democratic or the totalitarian concept of government will dominate in the future. We refer to this struggle as the cold war but in doing so, I believe that we are prone to occasionally forget that the real issues are ideas, basic principles and convictions, and fundamental doctrines. The more obvious conflicts that arise, for example, in debates over relative postures in economics or in science are, to me, merely the open manifestation of the basic struggle.

These manifestations are important in that they represent the milestones whereby the progress of the opposing forces in this struggle are measured—and I happen to believe that the fruits of science and technology will, in the future, be used as one of the major signposts to measure the success of these opposing ideologies. It is in this sense that the so-called “race in space” assumes major and lasting international significance.

Something over a year ago I was invited to express my views to the House Committee on Space Exploration as to what the next 10 years in space might hold. I recall that in the process of pondering this question, I could not help but explore the related question of how these predicted events might materialize, and it seemed to me that the controlling factor might well be one of will and motivation as much as that of technical competency or funding.

I believe that this same thought pertains to the situation existing today. In short, the point I am making is that we must be concerned with defining our goals and making them known, as well as being concerned with funding, manpower, and organizational matters—or in other words, we must define the ends before trying to develop the means of getting there.

Whether a definition of national goals which relate to the specifics of the struggle we are in can best be accomplished through high-level committee action or by some other mechanism, I do not feel qualified to remark on; I am sure that there are others more skilled in organizational matters than myself who could evolve proposals in this area. I will only comment in passing that I feel much more needs to be done in the direction of developing dynamic national goals than the citizenry can comprehend and are willing to support.

I believe that in the remainder of my remarks it may be of more value to the committee if I address myself directly to certain questions which the committee has indicated interest in and with which I am more conversant.

On the question of whether the present situation requires Government support of scientific and technological projects not necessarily related to military weapons objectives, my answer is unequivocally “Yes.” //

The civilian space program is an obvious example, and there are others which could have an equally important impact on world opinion. For example, methods of weather control, the development of fusion power, and the development of low-cost, practical power generation sources which might derive their energy from the sun or from thermoelectric devices. Devices of this latter kind should find widespread application in the underdeveloped countries of Asia and Africa, even though there is little demand for them at the present time in this country.

These and many other technological developments which could exert an important influence on the rest of the world should be supported by the Government to the extent necessary to insure that we—and not the Soviets—attain them first.

There are definitely areas where scientific and technological advances will not be made without strong Government support. Since World War II a large amount of our new technology, underlying

developments such as television and jetplanes, owes a large debt to Government-supported work carried out during the war or postwar eras. It is true that most of this support stemmed from potential military applications and it is to be expected that new technological advances will continue to fall out from military developments. I do not believe, however, that Government support should be restricted to military developments.

Important technological advances, today, are complex in nature and usually result from team efforts requiring elaborate and costly equipment. In many cases, private industry or the universities are either not in a position to fund such undertaking or lack the incentive to do so because of the long-term investment required.

The atomic energy field is a classical example of this. I would conclude, therefore, that in instances where exploitation of a scientific area may seem to hold national implications, and little activity is underway, the Government should step in and initiate undertakings through direct funding support. Once the area is self-sustaining, so to speak, I would favor curtailment of Government support.

The Government has underwritten a great deal of scientific research since the war. Generous support has been given to organizations such as NASA, the National Radio Astronomy Observatory, Brookhaven Laboratories, and so forth; however, there is need of more support of science for its own sake, rather than for some implied military or other "practical" benefit. The National Science Foundation, is, of course, a good move in this direction.

As to ways in which our Government can do a better job of assuring a long-term continuation of our country's preeminence in science and technology, I believe that the major factor is to assist in providing incentives which will encourage more of our younger generation to seek out science or engineering as a lifetime career. Advanced education, including academic research, will fill the reservoir that will be the source of technology in the decade of the 1970s. Encouragement of good students, good teachers, and good technical schools is clearly desirable.

In order to further maintain this preeminence, our scientists and engineers must be able to work in the proper technical, fiscal, and social atmosphere, and the Government should be instrumental in helping to provide this environment. It is reported that in Russia the scientists are accorded one of the highest positions in society. In this country, while the stature of the scientist has increased remarkably recently, more remains to be done to motivate interest in science and engineering as a career.

I also believe that it is possible for the Government to do a better job of identifying and prosecuting crucial technological developments. This can be done only through the Government inviting in and heeding the advice of the top scientists of the country. One can recall the very indirect approach, through Einstein to the President, that the first atomic scientists had to resort to in interesting the Government in the possibility of the atomic bomb development. No military planner could have been reasonably expected to call for the development of atomic bombs as a consequence of the Hahn and Meitner experiments in Germany in 1938, for the potential significance of this discovery was well beyond the comprehension of all but the keenest scientists.

On the other hand, the IGY space program is an example of an instance where the military, or at least the Army, took the initiative in urging that the Government support a program because of its cold war importance, while most scientists failed to see the advantages to be gained politically through this program.

The lesson here is, of course, that the effects of science and technology on the cold war and, conversely, that of the cold war on science and technology, must be openly recognized and reckoned with in high level decisionmaking. The advent of the sputniks vividly pointed this up and it should be obvious that the governmental decisionmaking process must now contend with many more factors than were evident in the presputnik era.

The optimum mechanism for obtaining high-level decisions to prosecute technical programs is difficult to precisely define. Quite obviously the Government cannot proceed with every scheme brought in by bright-eyed young scientists or by various vested interest groups, and yet, any one of these may well be of supreme national importance. The answer can only lie in establishing a definite and uncomplicated hierarchy of decisionmaking authority with competent, farseeing men at each level who have the integrity and objectivity to make decisions and the stamina to back up their decisions. Committees of scientific specialists and staff advisers may play a very useful role in gathering the facts for the decisionmakers, but the decisions should not be left to committee actions.

I believe that it is illusory thinking to expect that very many of the serious problems facing Government today can be solved by the appointment of ad hoc committees of well-intentioned citizens from private life. The important problems are generally so complex that, unless an individual is in a position to devote full time to familiarizing himself with all the factors to be considered and the implications of the various decisions that can be made, the chances are that judgment by opinion can only result.

In the case of a committee having sizable membership, the findings will usually represent the lowest common denominator of the collective opinions. While this may be pure democracy or collective thinking in action, I do not believe it is a practical substitute for decisionmaking by competent authority who can subsequently be held accountable for implementing the actions resulting from the decisions.

I do not wish to imply that there is not a useful role for committees; rather, I am making the point that we cannot expect to solve our problems by dissipating the decisionmaking process among groups who can consider them on only a part-time basis.

On the question of how our Government can do a better job of relating technological developments to our overall national strategy, I believe the answer again reverts to first having a clear concept of what our national goals are and secondly, appointing to positions of authority, competent and experienced operating officials who are dedicated to these goals and who are empowered to make decisions.

There is a need for informed and wise statesmen who are capable of analyzing the basic issues of complex technical situations. Soldier, scientist, and statesman must each understand the problems and needs of the other. Recent history holds many examples of mistakes made because this understanding failed to occur; Germany stopped develop-

ment of radar very early in the war while it was still in a primitive stage, and the United States failed to embark on a ballistic missile program at the end of the war.

Mistakes will never be completely avoided, but they will be minimized by placing the critical decisionmaking in the hands of competent people having sufficient appreciation of scientific matters and access to the best possible advice to permit them to consider all possible implications of the choices with which they are confronted.

I believe that there is no question but that we as a Nation have failed in times past to realize the world prestige implications of major scientific developments. The situation in my opinion is improving, but I have doubts whether the average layman is yet aware of the import which the world, and in particular the underdeveloped nations, will attach to significant scientific breakthroughs in the future.

I think it vital that the populace have at least a general understanding of this importance since they are called upon to pay for the cost of these developments. While my primary concern is with space activities, I cannot help but wonder what the impact on the world would be if, for example, the Russians are the first to develop a cure for cancer, or perfect a commercial transport plane flying at high supersonic speeds.

I have had little direct experience which would permit me to comment intelligently on whether or not there is sufficient rapport between the State Department and the scientific community.

On the question of the budgetary process, my own experience is that the present process whereby funds for research and development activities are authorized on a yearly basis does definitely impede scientific and technological developments. It is inherent to the nature of these activities that plans must be made for several years into the future.

At the same time, the work must be responsive to current results and must be capable of rapid reorientation. In the case of pure scientific research, it is necessary to establish an atmosphere of continuity and freedom from interference for the skilled professional scientist.

In both cases, the problem of annual justification and budget process is indeed a hindrance to technological progress. One of the most significant problems is that of obtaining proper facilities and equipment needed to conduct a program. In many cases there is a delay in obtaining test or laboratory facilities because of governmental funding practices which separate construction and equipment funds from the program funds.

I believe that this fiscal area is one which should receive the deepest consideration by the Congress with a view toward examining the practicality of authorizing funding for major research and development activities over 3- to 5-year periods, and also the practicality of allowing better facilities planning and funds to be included in program authorizations.

In conclusion, I want to reiterate that I believe our basic democratic processes are perfectly capable of maintaining our national leadership in science and technology. I would not make any major changes in our governmental organization to accomplish this end.

I believe it is essential for us as a nation to better define our national goals and to understand the part that science and technology play in both our military and our nonmilitary posture and policies.

The trend toward an increasing use of part-time committees of experts to make critical decisions should be reversed. The Government should strive for excellence in all its decisions, and, by delegating responsibility and authority through clearly defined channels, it should emphasize the role of the individual and thereby help to attract and keep some of the most competent minds in the Nation within the Government.

Senator JACKSON. Thank you, Dr. Pickering. We appreciate the time and trouble that you have gone to in preparing this statement and thinking about the problem as put to you in the series of questions we submitted.

Senator Church may have a question, and I will defer my questions for the moment.

Senator CHURCH. I just have a few questions, Mr. Chairman.

Dr. Pickering, I certainly do feel with you that public money needs to be devoted to scientific inquiry that has no particular military significance, and I will agree further that breakthroughs in fields of medicine and peaceful transportation may have much greater impact upon world opinion than the development or perfection or sophistication of purely military devices.

What I want to inquire about relates to the present procedural organization within the Government, but I have to ask one or two substantive questions in order to get at the procedural matters.

You are concerned with space and its importance to the future and I recognize that the eyes of mankind are now directed toward space and the Soviet Union gained great stature through the sputniks. That was in general opinion in the world.

Knowing what you do about space and its implications, do you believe that space should become the next arena for the arms race?

Dr. PICKERING. Well, sir, I find it difficult to visualize—excuse me if I may define terms first—when I think about space and the military, I will think about space in the sense of orbiting vehicles or traveling far out in space, and I will exclude missiles.

Senator CHURCH. I would like you to exclude missiles and I am thinking of space in the same sense.

Dr. PICKERING. I find it difficult to say at this time exactly how space will become an arena for military action. I recognize that space at the present time can be thought of as having some military significance; namely, there has been discussion about reconnaissance, and about communications, and the aid to these problems which space can present.

Beyond this, I find it difficult at this time to conceive of exactly what military significance or military actions would be taken in space. In other words, some of the more fanciful space weapons, I find very difficult to put much credence in. I recognize in saying this that we are on the threshold of the space age, and my thoughts can certainly change in the next few years.

Senator CHURCH. You would concede, I am sure, the fact—and I think that you have already conceded the point—that it is possible

with advancing space technology for some kinds of devices to be perfected that could have important military significance?

Dr. PICKERING. Yes. I was going to comment that the reason for my questioning space for military significance, is that I ask myself what is the fundamental military problem and if it is to deliver explosives to the enemy, I can surely do this without going into space. If it is to transport people and deliver them in enemy territory, I can presumably do this without going into space.

So, I ask myself, just why would I go into space to do these things?

Senator CHURCH. With respect to the question of reconnaissance, this certainly can have military significance and with respect to communications it could have some military significance. I do not know, and so I ask the question, Is it at all possible for orbiting devices to be perfected that contain nuclear warheads that can be triggered at times or at any given moment that might have advantages that the intercontinental ballistic missile which is a ground-to-ground missile with a ground-to-ground trajectory, might not have?

Dr. PICKERING. I find it difficult—or let me first say in an engineering sense, it is possible to conceive of such a system. I find it difficult to find a value in such a system. In other words, if I have the ability to launch intercontinental missiles successfully, why don't I do it that way instead of doing it the hard way, particularly when I recognize that once I have placed an object into orbit, its path through the skies is determined by the laws of gravity, and it is exactly predictable where it would go and it will only be over enemy territory a certain length of time and so on, and so I find it difficult to conceive of the practical utility of such a device.

Senator CHURCH. Let me suggest, without pursuing this much further, that there may be utility in such a device as compared to the intercontinental missile in the same sense that the Polaris missile presents advantages over fixed land bases, in that these missile bases are magnets drawing enemy fire.

Space is an area where our cities and populations would not be devastated if our nuclear weapons were orbiting rather than located in areas of large population within the continental limits of the United States. I am not trying to be argumentative, but I am trying to see whether there might not possibly be a military advantage that has yet to be ascertained with respect to weapons that have yet to be developed which would find their environment in space.

Dr. PICKERING. Well, this may be. All I say is that at the present time I find it very difficult to conceive of this. For example, supposing that I had such a satellite fortress armed with weapons which I am storing in the sky until I want to use them—and supposing that a potential enemy knows that I have it there, and you cannot avoid that.

Supposing that he shoots it out of the sky and is this an act of war? He shoots it out of the sky over his own territory, let us say. I have now lost my weapons, but do I go to war over this? In other words, I foresee all sorts of problems associated with this sort of a weapons system.

Senator CHURCH. Is it possible, in your opinion, that the future may hold devices that are manned devices in space, that the direction and speed of which are controllable by the occupants of these devices?

Dr. PICKERING. Yes, indeed.

Senator CHURCH. This would change the picture with respect to the potential military significance?

Dr. PICKERING. Yes, but we must recognize if we are going to change the speed or the direction of the devices, we must do it by using fuel or using energy of some sort. So we can presumably only do this to some limited extent. In other words, like an airplane, it will run out of fuel.

Senator CHURCH. But it is possible that such devices, if they are perfected, could have real military significance?

Dr. PICKERING. Well, they would have an ability to maneuver, and therefore, presumably, would have more flexibility. I would still be concerned as to whether they solve my fundamental problem of delivering warheads on enemy territory in any more successful fashion.

Senator JACKSON. On that point, in connection with propulsion, Project Rover, the nuclear ramjet might fall into that category, would it not?

Dr. PICKERING. That is right.

Senator JACKSON. Assuming it is workable.

Dr. PICKERING. If it is a nuclear ramjet we are talking about, it must operate within the atmosphere, which complicates things to some extent.

Senator JACKSON. Well, this is the first stage of development of a nuclear propelled rocket system.

Senator CHURCH. Now, these questions were preparatory to another question. I remember at the end of the war when the United States was the only country to have atomic weapons and we undertook what was then and has since been hailed as a great act of statesmanship, and I think it was, to present through the Baruch plan a proposal for internationalizing control of atomic energy. That proposal was rejected by the Soviet Union.

Had we been successful in establishing effective international control over all classes of atomic technology we certainly would not now be occupying the chamber of horrors that is presented by this balance of terror.

I am encouraged by what you say with respect to the possible limitations of space, as an arena for the arms race. But since it is hard to perceive what the future might hold, might it not now be wise to attempt another Baruch approach and close the door to future developments in space of a military character by establishing effective international control over the probing of space and the launching of satellites into space, of a kind that would permit the United States and the Soviet Union and other countries that have developed the technology to pursue the experimentation but which would limit the kinds of devices that are thrust into space to peaceful devices of kinds that have no military significance?

In other words, I am saying, is it now a time to exercise that degree of foresight that might permit us to shut the door before an arms race begins? We know the terrible difficulties that beset us once an arms race begins and we attempt to roll it back.

Dr. PICKERING. I think this is a very interesting suggestion, Senator. There has, of course, been, I guess the preamble to the Space Act, and I am sorry I don't remember the wording, but as I remember

the sense of it, it establishes the U.S. desire to see that peaceful development of space comes about.

If such a proposal could be effected, I think indeed this would be significant because even though one does not now see, or at least I profess not to see an urgent military necessity for space, as you point out, much may develop in the future and I may also visualize such problems for example, as what is going to happen when two or more nations land men on the moon. I would hope it was done in a peaceful fashion and not a warlike fashion.

Senator CHURCH. Thank you. That is the only question I have.

Senator JACKSON. Thank you, Senator Church.

Dr. Pickering, I was very much interested in your comments regarding the role of committees. I take it that from what you have said, you feel that committees can be useful as factfinders, but that they should not get into the decisionmaking process.

Do you not feel that we have reached a point where we may well be getting too many committees without authority to act or recommend action?

For instance, this committee made inquiry of the Department of Defense, and we found out that there are over 900 committees within the Department of Defense. We have a compilation of them here. You are in a part of the defense effort that is very important and I wonder if you could comment a little more on what happens in connection with this committee system. Does it help you or does it slow you down or what are your comments on that?

Dr. PICKERING. Well, sir, as I said in my statement I think one of the most serious problems with committees of experts is the problem where the experts are called in for 1 or 2 days, once or twice a year, or whatever it may be, and during their short period of close association with the problem, I feel they cannot understand the complexities of most of the problems that they are asked to judge.

I get concerned from that angle, that the Government needs to have within its own structure, the capability to make judgments to evaluate that situation without having to call on the experts who will come in and sit there for a few days and give their best guess.

The thing that also concerns me is that it seems to me as time has gone on, since the war, we have tended to answer many problems by forming new committees. Whenever a problem has become too complex or too confusing, there seems to be a tendency to form another committee to try to see their way through the problem.

It does not seem to me that this is facing up to the realities, and it seems to me that the whole trend is in the wrong direction. I am interested in your statement that the Department of Defense has 900 committees, and I am astonished that there are that many.

Senator JACKSON. In fairness, this has been a problem, I think, that has plagued all administrations, and I think that it is an American habit to appoint a committee, Dr. Pickering, and then we let the committee continue on. For instance, they have a Joint Master Menu Board, and there is an Interservice Flight Vehicle Power Group. Have you been working with that one?

Dr. PICKERING. No, sir.

Senator JACKSON. I would think that you would be right in that one, with all of the space problems. Then, there is the Fiscal Spon-

sors Committee of the Toxicological Information Center. Then there is the Department of Army Accelerated Item Production Program Task Group.

Then, they have an Interdepartmental Screw Thread Committee. Then there is a Helium Policy Committee. You might be interested to know that the Helium Policy Committee has the following directive:

To study national policy to prevent the loss into the atmosphere of any appreciable part of the country's helium, which has not first served the purpose of helium.

I want to say that in making this comment, Doctor, I again repeat that we are talking about the American habit of not resolving a problem, but appointing a committee and letting them resolve it. The result is that the committee meets, and then they may make some recommendations, but then they are not acted upon. Is this a fair statement?

Dr. PICKERING. I have seen that happen all too often.

Senator JACKSON. What I gather from your statement is that we need to have national goals and objectives, and we should not implement those national goals and objectives by ad hoc organizations, or ad litum, as the lawyer would say.

But I take it, it is your position that we need to have organizational structure with continuity to implement these national goals and objectives.

Dr. PICKERING. Yes, sir; that is my idea, indeed.

Senator JACKSON. And the main problem is to first of all recognize or to identify the national goals and objectives.

Dr. PICKERING. First, to identify the goals, yes; and then if you will give the people concerned the authority and the responsibility so that they know they have the authority and that their decisions will stick, then you will encourage people to make decisions without having a committee to back them up all of the time.

Senator JACKSON. You would not object to a committee if someone on the committee does really make a decision?

Dr. PICKERING. I think it would be better if the governmental person concerned would make the decision.

Senator JACKSON. But I say, as long as real decisions can be made, I understand that most of these committees—not all, and there are some where decisions can be made—but most of them meet and discuss and debate and then they walk away and no one can make a decision.

I take it, too, that you feel that science and technology are inseparable elements in a broad framework that involves the overall posture of this country in relation to potential enemies, and that we cannot separate them and deal with them on a separate basis, but that we have to recognize this broad inseparable challenge.

Dr. PICKERING. Yes, sir, and I feel that science and technology enters into practically every aspect of Government nowadays. It will to an increasing extent as times goes on, and this must be recognized.

Senator JACKSON. Do you feel that there are areas in science that, while they do not involve direct military considerations, might affect the prestige and therefore, indirectly affect the overall posture of our country?

Dr. PICKERING. I do, indeed.

Senator JACKSON. We have had dramatic proof of that, have we not, in the space program?

Dr. PICKERING. That is right.

Senator JACKSON. And despite the fact that we may be ahead in certain areas, unless our allies and our friends, including uncommitted peoples, believe it, it can hurt the prestige and, therefore, the overall posture of our country?

Dr. PICKERING. Yes, sir.

Senator JACKSON. I believe you brought that out in one of the hearings some time ago in connection with a survey of public opinion in Western Europe. This poll is in our reports. I believe it was the Gallup poll of what our allies think.

Dr. PICKERING. Yes, sir.

Senator JACKSON. And I presume that in your remarks here, you were alluding to that sort of a situation?

Dr. PICKERING. Yes, sir.

Senator JACKSON. Now, if I may turn to one other item, I was very pleased to have your comments regarding the budgetary process as it affects research and development programs. Mr. Lovett, you may recall, if you had a chance to read his testimony, made that point.

That was that research and development projects cover a period of years. He felt that there should be a funding over that period of gestation, whatever it may be, 3 to 5 to 6 years. That is essentially your judgment, also?

Dr. PICKERING. I feel the same way; yes, sir.

Senator JACKSON. And you feel that in this area a recommendation by the administration to the Congress along this line would be helpful in not only saving the Government money by avoiding ups and downs, but might reduce the leadtime on some of these projects.

Dr. PICKERING. I think if we had more stable funding, leadtime would be reduced on projects and I don't think that there is any question about that. The mechanism for obtaining that, I have no opinion on.

Senator JACKSON. I know that the point you made also has reference to the problem that scientists are up against; namely, when you are working on a research and development project you are doing the basic research and so on, and you want to get around to the construction, you are sometimes held up, are you not, because of funds not being available for construction purposes?

Dr. PICKERING. Yes, sir, and the fact that construction and equipment funding usually is handled through a different channel, or a different fashion than the programs, very frequently leads to construction and programs moving apart and facilities not being available when they are needed.

This is also, of course, complicated by the fact that facilities in general have a long leadtime to build, and if we add to that a long leadtime to obtain the funding, then there are difficulties.

Senator JACKSON. One of the big problems that we have been up against in these various races of discovery with the Soviets has been leadtime, is it not?

Dr. PICKERING. It has, indeed.

Senator JACKSON. And your point, I take it, is that by funding these projects over the period of the research and development effort,

you would help to speed up the development period and, therefore, make it possible for us to do a better competitive job.

Dr. PICKERING. I think so.

Senator JACKSON. Now, I have one last question: You indicated in response to one of your questions that you have not had any direct experience that would permit you to comment intelligently on whether or not there is sufficient rapport between the State Department and scientific communities. I wonder if you feel that it is important for the Department of Defense, especially in the area of research and development, to work closely and to keep the State Department currently informed on what they are doing, particularly as to new projects that might have an impact on our prestige and standing in the world, as well as the items that are of purely military nature.

Dr. PICKERING. Yes, sir, I do, indeed; in fact, I would hope that this occurs but if it does not, I would certainly feel that it is most important. As a specific example, at the present time, looking at our space program, since we are flying things which go all over the world, and fly over many countries, it would seem to me that the nature of any military space program which may be undertaken should be a matter of concern to the State Department.

Senator JACKSON. I was particularly interested, Dr. Pickering, in your comment that the IGY space program was an example of an instance where the military, or at least the Army, took the initiative in urging that the Government support a program because of its cold war importance, while most scientists failed to see the advantage to be gained politically through this program.

Dr. PICKERING. Yes, sir.

Senator JACKSON. I think that this statement points up the need for getting the points of view from the military and from the people in the State Department and from the scientists, so that they are brought up to the summit where the critical undertakings can be identified and decisions made, does it not?

Dr. PICKERING. Yes, indeed.

Senator JACKSON. And as a scientist and an engineer, you would not want to say that scientists and engineers should make the overall decisions in this important area.

Dr. PICKERING. No, sir. We should have an input, but certainly, there are many other factors which must determine decisions.

Senator JACKSON. But the statesmen of today must be truly informed about the importance of science and technology and when he receives the information he must be able to identify its importance in relation to our national security and our national overall position?

Dr. PICKERING. Yes, sir. I feel that it is important for statesmen to have knowledge of science, obviously not to be experts in science but to have knowledge of science—as I have said one time, to be able to distinguish between the realities and the science fiction.

Senator JACKSON. I think that is an excellent statement.

Dr. Perkins made the point yesterday, if I may paraphrase what he said, that the effective role of the scientist and the technologist is to advise the proper leaders in Government as to their particular undertaking, its impact, and its importance from their point of view. With the facts, then the political leader must make the proper decision; is that a true statement?

Dr. PICKERING. I think so; yes.

Senator JACKSON. And it would be a mistake for the scientist to get into the policymaking business as such, at the top level.

Dr. PICKERING. Didn't H. G. Wells do that once?

Senator JACKSON. It is very well said. I want to thank you for those fine comments.

Mr. PENDLETON. Doctor, I have before me a chart called satellite situation report from the Aviation Week and Space Technology of April 11. This chart shows that 14 American and two Soviet satellites are still in orbit in outer space from the original ones since 1957. If there is no objection, I would like to have that inserted in the record, the chart and the article.

Senator JACKSON. It will be included in the record at this point. (The material referred to follows:)

[From Aviation Week and Space Technology, Apr. 11, 1960]

SPACE PROGRAM TURNS A CORNER

By Robert Hotz

The successful operations of the Pioneer V deep space probe and the Tiros weather-eye satellite during the past few weeks may indicate a significant upturn for the U.S. space program as currently operated by the National Aeronautics and Space Administration. Both of these space shots were executed with technical precision that placed their payloads in their anticipated positions in space. Both payloads have been functioning with a high degree of reliability and returning a significant amount of useful scientific data to earth. The almost perfect circular orbit of Tiros is another major advance.

These successful space ventures are also significant because they prove a point many people made in the early days of the sputnik era. This was that this country has the technical capability to mount a scientifically significant and internationally useful space exploration program and that the only essential ingredient lacking was national leadership and organization.

All of the hardware utilized in both Pioneer V and Tiros came from groups long established in the aerospace industry: Radio Corp. of America, Space Technology Laboratories, Douglas Aircraft, North American Aviation, Aerojet, Hercules Powder Co., and several universities. Launchings were handled by the USAF Ballistic Missile Division which has managed the ballistic missile program so expeditiously. NASA, of course, served as the overall systems manager for both of these projects.

There are some notable differences between Pioneer V and Tiros, on the one hand, and the Soviet lunar ventures of last fall. The Soviets have still not furnished much useful scientific data from these lunar ventures despite the successful execution of both the impact and satellite missions. Nor have the Soviets, for all their lip service to scientific interchange, made much tangible contribution to this cause. This may be because the data returned from their impressive list of successful space vehicles is meager and they might be internationally embarrassed by this exposure or it may be simply another manifestation of the centuries-old Russian passion for secrecy in conflict with its modern environment.

However, both Pioneer V and Tiros are already firmly established by their performance in space as scientifically useful ventures. This significance is expanding with each passing day of their performance. Pioneer V, among other things, has proved the feasibility of long-range communications in outer space and has given a remarkable demonstration of the reliable use of solar energy in this area. Tiros, providing its global cloud cover strips, certainly must have an impact on some of the early skeptics who refused to believe that anything really useful to man on earth could come from this space nonsense. Tiros is the first of the initial generation of useful satellite programs whose benefit will soon be available.

On the basis of the data made available by Pioneer NASA on its variety of space programs, particularly Pioneer V and Tiros, compared with what the Soviets have made public on their efforts, it appears that we have begun to

produce more scientifically useful space efforts than the Soviets, although it will be a long time before the international propaganda luster is worn from their initial successes.

It would be a mistake to conclude that Pioneer V and Tiros, have in themselves won the space race with the Soviets and that we can now relax and coast along comfortably. It is obvious that the Soviets have more tricks to pull from their space bag. With the decay of Sputnik III it is not likely that they will leave space bare of devices bearing the "CCCP" label of their Cyrillic alphabet. It takes no special crystal ball to predict that the next Soviet space efforts will be timed to obtain maximum political effect from the summit meetings in May and President Eisenhower's visit to the U.S.S.R. in June.

Thus far, the Soviet space scientists have loftily rejected U.S. proposals to establish an International Academy of Space Sciences (AW Mar. 28, p. 25) as premature. This attitude is apparently stimulated by the Soviet feeling that they are the primary fount of space science, and little contributions are available now from other countries. Dr. Theodore von Karmon, one of the authors of the international proposal, has wisely observed that this Soviet intransigence is likely to melt once we have a few successes. It will be interesting to watch the Soviet attitude toward the International Academy proposal as a possible barometer of their own space technology and an indication of when they feel they may have something to gain from an international scientific exchange.

One other aspect of the Soviet space program, in contrast with our own, that emerges with the passing of time is the surprising lack of depth and scope to their effort. They have conducted no satellite launchings since Sputnik III on May 15, 1958. In the interval, they have mounted only three lunar missions. This is ample for an international propaganda program but can hardly fill the requirements of a serious space exploration program.

In contrast, both the NASA and USAF space programs are now moving on an extremely broad front covering the entire spectrum of immediately feasible space exploration projects and aimed at providing immediately useful results from space such as long-range communications, reconnaissance, weather information, and precise navigation fixes.

Thus, as we pass the halfway mark of the third year of the space era, we can see some significant changes developing in our position versus that of the Soviets.

There is general agreement that NASA has developed a sound 10-year program for the scientific exploration of space and the military services keenly appreciate the potential of space systems to deter aggression and blunt the edge of enemy surprise.

The problem now is to stick to the objectives detailed in the NASA program and to push their achievement with the full budgeting and technical support they require.

We are certainly in a bitter international contest with the U.S.S.R. for the minds of men, and space is an important sector in that battle. But, regardless of this important aspect of our space program, there are many other valid reasons for pressing on at a maximum technical pace to reap for ourselves and the rest of mankind the immediate benefits available in space and to provide more knowledge of the universe around us that is the truly distinguishing mark of man himself.

Satellite situation report

	Code name	Source	Launch	Status	Period, minutes	Statute miles	
						Apogee	Perigee
Satellite:							
Alpha 1	Rocket body	U.S.S.R.	Oct. 4, 1957	Down Dec. 1, 1957.			
Alpha 2	Sputnik 1	do	do	Down early January 1958.			
Beta	Sputnik 2	do	Nov. 3, 1957	Down Apr. 14, 1958.			
Alpha	Explorer 1	United States	Jan. 31, 1958	In orbit	108.6	1,232	216
Beta 1	Rocket body	do	Mar. 17, 1958	do	138.2	2,683	402
Beta 2	Vanguard 1	do	do	do	133.8	2,445	401
Gamma	Explorer 3	do	Mar. 26, 1958	Down June 28, 1958.			
Delta 1	Rocket body	U.S.S.R.	May 16, 1958	Down Dec. 3, 1958.			
Delta 2	Sputnik 3	do	do	Down Apr. 6, 1960.			
Epsilon	Explorer 4	United States	July 26, 1958	Down Oct. 23, 1959.			
Zeta	Atlas	do	Dec. 18, 1958	Down Jan. 21, 1959.			
Alpha 1	Vanguard 2	do	Feb. 17, 1959	In orbit		238	105
Alpha 2	Rocket body	do	do	do			
Beta	Discoverer 1	do	Feb. 28, 1959	Down early March 1959.	125.0	2,049	347
Gamma	Discoverer 2	do	Apr. 13, 1959	Down Apr. 26, 1959.	128.6	2,279	347
Delta	Explorer 6	do	Aug. 7, 1959	In orbit			
Epsilon 1	Discoverer 5	do	Aug. 13, 1959	Down Sept. 28, 1959.	686.2	23,980	117
Epsilon 2	Capsule	do	do	In orbit			
Zeta	Discoverer 6	do	Aug. 19, 1959	Down Oct. 20, 1959.	103.2	1,004	121
Eta	Vanguard 3	do	Sept. 18, 1959	In orbit			
Iota 1	Explorer 7	do	Oct. 13, 1959	do	130.0	2,322	315
Iota 2	Rocket body	do	do	do	101.2	671	345
Kappa	Discoverer 7	do	Nov. 7, 1959	Down Nov. 26, 1959.	101.1	670	345
Lambda	Discoverer 8	do	Nov. 20, 1959	Down Mar. 8, 1960.			
Tiros 1		do	Apr. 1, 1960	Orbiting earth	99.15	468	435
Transit 1		do	Apr. 13, 1960	do	94		
Lunar and space probes:							
Lunik 1	Mechta	U.S.S.R.	Jan. 2, 1959	Orbiting sun			
Pioneer 4		United States	Mar. 3, 1959	do			
Lunik 2		U.S.S.R.	Sept. 12, 1959	Hit moon, Sept. 13, 1959.			
Lunik 3	59 Theta	do	Oct. 4, 1959	Orbiting earth			
Pioneer 5		United States	Mar. 11, 1960	Orbiting sun			

Mr. PENDLETON. In your opinion, what is the effect of the launching of Pioneer V, Tyros, and Transit as a part of our space program? Do you think that that is a substantial achievement of the scientific community of the United States?

Dr. PICKERING. Yes, sir; I think it is a very encouraging thing to have seen these three successes in quick order. I think it is indicative of the fact that here in the United States we are establishing a firm space program which is beginning to pay off.

After the initial hysteria associated with the space program, we settled down and we are getting our program going, and we are hopefully expecting to see a continuing series of scientific achievements of this sort.

I would also like to comment that as a whole, if we look at the scientific achievements of the United States and the Soviets in this area of space, I think we must agree that American scientific achievements at least equal the Soviet scientific achievements.

Mr. PENDLETON. As far as our allies abroad are concerned, do you think that the launching of those three satellites had any effect on their opinion of our world position?

Dr. PICKERING. I would hope so. I think that particularly about the Pioneer V, and the Tyros; that should have the appropriate dramatic impact on our friends elsewhere in the world.

Mr. PENDLETON. I have before me a series of clippings from Western European press after the date of Pioneer V, but prior to the time of Tyros and Transit I, which I think you might be interested in. The first one is from the London News Chronicle of March 12:

The package of instruments, most compact and complex ever designed, is a real triumph for American technology. For rocketry and instruments, Pioneer V ranks with Russia's Lunik III, which photographed the unseen side of the moon.

In Denmark, and I will not try to pronounce the name of the newspaper, on March 12:

With the successful launching of the satellite Pioneer V yesterday, the Americans accomplished the world's most important space experiment so far and gained considerably upon the Soviet Union in the space race. The American experiment will have greater meaning for science than the Russian moon shot, and it is the real forerunner of space travel.

In France, there is a newspaper account of that, on March 16:

The Americans can give the Russians change for their coin (meaning give better than they receive) with the remarkably successful launching of Pioneer V.

There are other comments here from Germany, Italy, and Norway and Sweden. So I think that is rather encouraging on what our allies are thinking toward us, in view of the earlier blow that we received.

Dr. PICKERING. Yes, indeed.

Mr. PENDLETON. Mr. Chairman, with your permission, I would like to have you look at those, and without objection, I would like to have them inserted.

Senator JACKSON. We will insert those.

(The newspaper comments follow:)

SELECT QUOTATIONS FROM THE WEST EUROPEAN PRESS CONCERNING THE U.S.-U.S.S.R. OUTER SPACE RACE AFTER PIONEER V LAUNCHING

Britain

"This is America's second successful [solar] space launching to brighten a long list of frustrating failures—and it represents a new challenge to the Russians."—London's Daily Express, March 12, 1960.

"The value of information will be much increased if its [Pioneer V] ambitious arrangements for the storage of information and its transmission back to earth are successful. This will be as important an innovation in its way as the Russian technique of developing negatives in flight and later transmitting them slowly by radio."—The Times, London, March 12, 1960.

"The package of instruments—the most compact and complex ever designed—is a real triumph for American technology. And for rocketry and instruments Pioneer V ranks with Russia's Lunik III, which photographed the unseen side of the moon."—News Chronical, London, March 12, 1960.

Denmark

"With the successful launching of the satellite Pioneer V yesterday, the Americans accomplished the world's most important space experiment so far and gained considerably upon the Soviet Union in the space race. The American experiment will have greater meaning for science [than the Russian moon-shot] and is the real forerunner of space travel."—Berlingske Tidende, Copenhagen, March 12, 1960.

"It would be wrong to consider this event as an American attempt to overcome an inferiority complex and an experiment to match the Soviet triumph in the skies. First and foremost, the experiment serves scientific purposes. The American scientists have with this satellite provided a fairly clear picture of conditions in space."—Information, Copenhagen, March 12-13, 1960.

France

"The Americans can give the Russians change for their coin [give better than received] with the remarkably successful launching of Pioneer V."—Parisien Libere, Paris, March 16, 1960.

"Pioneer V will probe the unknown regions of the sky. It will speak to the earth from a distance of 80 million kilometers while Lunik I went dead at 600,000 kilometers."—France-Soir, Paris, March 13-14, 1960.

"American scientists can rejoice at the success of this launching."—L'Aurore, Paris, March 15, 1960.

"Lunik I has not done this [radioing back from the apogee]. It was silent. Pioneer V will bring us information of the highest importance."—Combat, Paris, March 16, 1960.

Germany (West)

"After a series of Soviet triumphs and a chain of discouraging [U.S.] failures, the successful launching of Pioneer V is a ray of hope not only for the U.S. but for the entire West."—Die Welt, Hamburg, March 14, 1960.

"It is a fact that the Soviet moonshot yielded, at best, a hundredth of the scientific data the new U.S. space probe is capable of transmitting . . . back to Earth."—Muenchener Merkur, Munich, March 14, 1960.

"Although Pioneer V weighs only one-ninth as much as Lunik I its significance in space exploration is much greater."—Der Mittag, Duesseldorf, March 14, 1960.

"Of the three artificial planets in orbit around the sun, two are American-made. . . . American satisfaction is natural at a time when national prestige is dependent on launching moon rockets and sun planets."—Frankfurter Rundschau, Frankfurt, March 14, 1960.

Italy

"Today's success helps to restore, at least in part, the prestige of American science and technology after last year's spectacular Soviet experiments."—Il Messagero, Rome, March 12, 1960.

"While Pioneer V cannot be compared to Soviet ballistic successes, it is nevertheless the first 'planet' capable of transmitting scientific information to Earth. . . . Lunik I entered a solar orbit by error and was not equipped to send back information."—La Stampa, Turin, March 13, 1960.

"The successful launching [of Pioneer V] is a tonic for the U.S. in the Russo-American space race and confirms that although the U.S. got a late start, it is very rapidly regaining lost ground."—*Corriere della Sera*, Milan, March 13, 1960.

Norway

"It is certainly the greatest distance of space control by radio signal. The distance from the earth of the Soviet Lunik III was around 100,000 kilometers less. The successful launching of Pioneer V is truly a forerunner of a new American scientific attempt to send a rocket to the moon within the next six months."—*Arbeiderbladet*, Oslo, March 14, 1960.

Sweden

"Pioneer V opens a new epoch in space experiment."—*Dagens Nyheter*, Stockholm, March 12, 1960.

Mr. PENDLETON. In your statement, you say:

I feel much more needs to be done in the direction of developing dynamic national goals that the citizenry can comprehend and are willing to support.

Do you have any suggestions as to what could be done in the development of these goals?

Dr. PICKERING. No, sir. But the point I was really trying to make was that to be significant, goals must be understood and accepted by the citizens and by the people of the country. I feel, for example, that in this past year or two, people in the country in general have not really understood our space program.

I believe this is improving now but it has taken time for people to understand it, and I am using that as a thought. It seemed to me that it is indicative of the fact that any time we do establish significant goals, they must be sold to the people or the people must agree with them.

I was making that point rather than making any point of the mechanism about how to establish those goals.

Mr. PENDLETON. On the last page of your statement, you refer to an increasing use of part-time committees of experts to make critical decisions. Later on you discussed these people who are brought in for 1 or 2 days a year. Could you give an example of such a decision-making committee? Either currently or in the past?

Dr. PICKERING. I would take, for example, the committee which made the initial IGY decisions or the initial Vanguard decision for the IGY space program. That was a committee of this type which was evaluating the possibilities as to whether the United States should embark on a space program or scientific satellite program as to how it should be done.

They were evaluating in effect, proposals made by the Armed Forces and selected the Vanguard proposal as the one to initiate.

Mr. PENDLETON. Now, was the result of their activity a recommendation to the Secretary of Defense, or what came out of that meeting?

Dr. PICKERING. The result of their activity was indeed a recommendation to conduct this particular program. I am sorry. I do not remember who the committee was reporting to.

Mr. PENDLETON. The only point I was trying to make is that they made a recommendation to the Secretary of Defense, didn't they?

Dr. PICKERING. Oh, yes. The actual formal decision was made within the Government.

Mr. PENDLETON. A Government official made the decision?

Dr. PICKERING. That is right.

Mr. PENDLETON. Finally, you referred to the problem of funding in the scientific field and the delay in construction of various activities from the lack of funds because of separation between construction and the research field.

Dr. PICKERING. Yes, sir.

Mr. PENDLETON. I was wondering whether you were acquainted with the recent decision on the reactor program. Let me read the clipping. This is the New York Times, Tuesday, April 12:

Democrats on the Joint Congressional Committee on Atomic Energy killed today, for the second consecutive year, the administration's high-priority plan to build a new type of atom-smasher at Stanford University.

The effect of the committee's action, Atomic Energy Commission officials said, could delay by more than a year completion of the machine. President Eisenhower's scientific advisers have said it was of vital importance in maintaining United States leadership in nuclear research.

Are you aware of that decision to cancel the funds for that project?

Dr. PICKERING. Yes. I remember the newspaper story now. I have had no personal contact with the project.

Mr. PENDLETON. Is that the kind of thing that you are referring to when you refer to delay of construction through lack of funds?

Dr. PICKERING. Yes.

Senator JACKSON. I want to call to the minority counsel's attention the fact that \$3 million was provided for planning, and I don't think that his statement is complete, nor do I think it is relevant to the question of long lead funding.

I merely make that point clear, and I would also like to call to his attention that even the Atomic Energy Commission which is a part of this administration, had serious questions about this project. So just reading something into the record does not make it a fact from an article in a paper and a very reputable paper. I just want to make that clear.

I served on the Joint Committee, and I am now serving on it and I also want to state that the committee received so many different recommendations as to what the capital cost was going to be, and what the operating costs were going to be, that the committee felt that the sensible thing to do was to do the engineering and the design and planning in order to find out what the costs were going to be.

Actually, there is no delay in the project and it is not fair to say that the project was killed.

Mr. PENDLETON. I apologize. I intended to give you the whole article since my opinion on the facts might be subject to question. With your permission, without objection, I will submit the article for the record.

Senator JACKSON. I thought it should be read into the record; since you read the first part of it, you should read the last part of it.

The whole article will be inserted into the record.

(The article referred to follows:)

[The New York Times, Tuesday, Apr. 12, 1960]

CONGRESS GROUP BARS BIG REACTOR—ATOMIC ENERGY COMMITTEE REBUFFS
ADMINISTRATION ON STANFORD PROJECT

By John W. Finney

Special to the New York Times

WASHINGTON, April 11.—Democrats on the Joint Congressional Committee on Atomic Energy killed today, for the second consecutive year, the Administration's high-priority plan to build a new type of atom-smasher at Stanford University.

The effect of the committee's action, Atomic Energy Commission officials said, could delay by more than a year completion of the machine. President Eisenhower's scientific advisers have said it was of "vital importance" in maintaining United States leadership in nuclear research.

By a vote of 10 to 6, which followed closely on party lines, the committee denied the \$107,000,000 authorization requested by the committee for construction of the 2-mile-long linear accelerator on the university's campus.

Committee Democrats said that more time was needed to study the project because of the unexpectedly high costs encountered on other atom-smashers.

However, some committee Republicans said that the Stanford project was being used as a political pawn in a longstanding fight over construction of a large atomic power plant in the Northwest.

As interpreted by these Republicans, the committee Democrats were postponing approval of the Stanford project until the Administration agreed to modify a plutonium producing reactor now being built at Hanford, Wash., so that it would also generate electricity. The conversion of the reactor into a plant producing 700,000 kilowatts of electricity for the Federally owned Bonneville Power Administration would cost about the same as the Stanford accelerator.

It was only after considerable committee pressure that the Administration in 1958 finally agreed to the construction of the Hanford reactor to meet the military's requirements for plutonium for weapons. Thus far, however, the Administration has resisted the suggestions of committee Democrats that the reactor be turned into a dual-purpose plant.

Considerable importance has been placed on the electron accelerator by the President's Science Advisory Committee because it would permit the study of nuclear particles that cannot be created in the proton accelerators now in operation or under construction. In its original version, the machine would accelerate electrons as atomic bullets to energies of from ten to twenty BEV (billion electron volts), with the possibility of later increasing the energy range to forty-five BEV.

The committee's action at this time is in marked contrast with the official position it has taken strongly endorsing a vigorous and expanded program of basic research by the Atomic Energy Commission. Republican members are expected to refer to this past position of the committee in a minority report they are drafting on the Stanford project.

The committee did approve \$3,000,000 for preliminary engineering design work on the Stanford machine with the prospect that the construction funds might be authorized next year.

Mr. PENDLETON. I have no further questions.

Senator JACKSON. Do you think the Soviet or the United States have made the best use in space in support of our foreign policy and national prestige up to now?

Dr. PICKERING. Well, sir, it seems to me that the Soviets with their sputniks have been much more dramatic in space and have conducted a program apparently, which was aimed very deliberately at its propaganda value.

Senator JACKSON. As a matter of fact, Mr. Khrushchev has shown a rather unique genius for timing his exploits with certain foreign policy objectives; is that not true?

Dr. PICKERING. Yes, sir; and I wonder what will happen in space between now and the summit meeting.

Senator JACKSON. That was my next question, and I was going to ask whether you thought it not entirely impossible that they might make some dramatic move in space prior to the summit meeting.

Dr. PICKERING. It has been quite a while since they have had a space shot, and I would not be too surprised if one was conducted in the next few weeks.

Senator JACKSON. You are suggesting there may be some precedents for this, such as Mr. Khrushchev's device hitting the moon 2 days prior to his landing in Washington.

Dr. PICKERING. Yes, sir.

Senator JACKSON. And on his return their orbiting of the moon and taking a picture of the backside.

Dr. PICKERING. Yes, sir.

Senator JACKSON. So that as far as the Soviets are concerned, they have seen fit in a rather effective way to measure their space programs with foreign policy objectives.

Dr. PICKERING. Yes, sir. It appears to me to be so. Let me say that I feel that having, as it were, gone through this first couple of years or so, where the first really dramatic effects of the space program have indeed been effectively used by the Soviets, now if we take a longer term view and we look at what the United States is doing in developing a growing and important space program, I think that we may very well find that as it were, the first really dramatic part is over now and from now on the more solid program of the United States will gradually become of increasing importance.

Senator JACKSON. Would it be fair to say that we certainly have the capacity and capability right now of being ahead in more sophisticated systems provided we get them up, to do some constructive scientific jobs?

Dr. PICKERING. I would say that to date, we have done more useful science than the Soviets have done, and as we put into space more complex systems, I expect that we will be able to do more elaborate scientific establishments in the future.

Senator JACKSON. You feel that we are in a space race, Dr. Pickering, that is vital to the security of the country?

Dr. PICKERING. Yes, sir. I feel it is indeed, because in the first place, the ability to launch successfully these large space devices is a very dramatic demonstration of your ability in military rockets. That is the first point.

Therefore, we could not possibly just sit back and let the Russians do all of this. Once having started with a space program, which we had to do, then it seems to me that we are clearly in a race with them. As far as the rest of the world is concerned, they have always looked, not always but for many years, have looked to the United States as being the technological leader, and here in this very advanced field of technology, it is clear to me that we must do our best to exceed the achievements of the Soviets.

Senator JACKSON. In other words, part of our big problem is that we have been known the world over as foremost in the field of science and technology and industrial capacity, and that to slip in this field could have damaging effect.

Dr. PICKERING. I think so.

Senator JACKSON. On our overall standing in the family of nations, you mean?

Dr. PICKERING. Yes.

Senator JACKSON. Dr. Pickering, if there are no further questions, once again I want to express to you, as I did to your colleagues that have testified here during the course of these hearings, our appreciation for taking time out to provide some answers to some very difficult questions.

I know that your testimony will be helpful in trying to bring about some constructive improvements in this area.

Now, this afternoon our witness will be Dr. Ruben F. Mettler, executive vice president of Space Technology Laboratories, in Los Angeles, and I believe the company is the technical manager for Thor, Atlas, Titan, Minuteman, and other systems. So we will resume at 2 p.m. to hear Dr. Mettler.

Thank you again, Dr. Pickering.

Tomorrow's schedule, by the way, there is some revision and I might just mention this, the first witness in the morning will be Dr. Eugene Wigner, who is Professor of Mathematical Physics at Princeton University, and the second witness will be Dr. Edward M. Purcell, Professor of Physics at Harvard University and a Nobel Prize winner, and the third witness in the afternoon, will be Dr. Herbert F. York, Director of Defense Research and Engineering of the Department of Defense.

(Whereupon, at 12:45 p.m., the hearing was recessed to reconvene at 2 p.m., on the same day.)

AFTER RECESS

The subcommittee reconvened at 2 p.m., Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Senator JACKSON. The subcommittee will come to order.

We resume this afternoon and have as our witness Dr. Ruben F. Mettler, executive vice president of the Space Technology Laboratories, Los Angeles, Calif.

Space Technology Laboratories is a private company which has a system engineering and technical direction responsibility for Thor, Atlas, Titan, and Minuteman, and the communication satellite. It has also designed and fabricated, I believe, Explorer VI and Pioneer V, and had the launch vehicle responsibility for the recent Tiros and Transit satellites.

Dr. Mettler received his Ph. D. from California Institute of Technology in electrical and aeronautical engineering. He has served as a special consultant to the Assistant Secretary of Defense for Research and Development, and as a member of a special committee, Air Force Science Advisory Board.

He received the 1954 Eta Kappa Nu award as the Nation's most outstanding young electrical engineer, and was selected as one of the Ten Outstanding Young Men of America by the Junior Chamber of Commerce in 1955.

Dr. Mettler, I believe you have a prepared statement. You may proceed in your own way.

STATEMENT OF DR. RUBEN F. METTLER, EXECUTIVE VICE PRESIDENT, SPACE TECHNOLOGY LABORATORIES, INC., LOS ANGELES, CALIF.

Dr. METTLER. Mr. Chairman and gentlemen, I am convinced of the importance of your study of the effectiveness of existing Government organization and procedures for formulating and executing national security policy.

I, therefore, welcome this opportunity to appear before you. Your study gives additional assurance that the democratic process can renew and revitalize itself and can adjust the decision making machinery of Government to meet the changing requirements of national security in the face of rapid technological change, international conflict, and unusual potential for the common good or for common disaster.

You have asked me for my views with particular reference to the role and impact of science and technology on Government organization and on the formulation and execution of national security policy. I feel it necessary at the outset to define the limits of my experience and competence in this subject.

I have not held a policy position in Government, and have, therefore, not experienced at firsthand the problems of formulating policy in and with the existing organizational machinery.

Whatever contribution I may be able to make to your study derives from my engineering and management experience in private industry, in research and development of military weapon systems generally, and during the past 5 years in the planning, engineering, producing, and testing of large ballistic missile and space-vehicle systems.

Within this context, I wish to comment briefly on three general topics: the process of formulating and selecting long-range national security objectives and programs; the making of decisions to start or stop the flow of major resources to large national security programs; and shortening the development-production-operational-deployment cycle for large systems; and then I would like to close with some direct remarks concerning Government organization and procedures. I am painfully aware of the fact that all of these topics are rich in opportunity for speculation and, therefore, also rich in opportunity for error.

FORMULATING LONG-RANGE PROGRAMS

In general terms, the planning and formulation of long-range national security programs must include the development of a clear statement of integrated functional objectives, the identification of specific programs aimed at meeting the stated functional objectives, and the selection of the initial concepts for the implementation of each of the specific programs.

Clearly, planning and program formulation generally must be accomplished at several levels in the Government, in most general form at the top, and with narrowing scope and increasing detail at each intermediate level down to operating organizations.

Thus must each subelement of the planning process—statement of functional objectives, identification of programs, and selection of implementing concepts—also be accomplished in most general form at the top, and in detail at the operating level, with emphasis at each

intermediate organizational level on integration of interlocking objectives and programs, and with rapid vertical communication between levels.

To illustrate several specific points in the process of formulating long-range programs, I would like to consider the development of large ballistic missiles and the initial exploration of space as a case history, and examine the problem of selecting those space programs deserving of major national emphasis.

By the way of background, the United States has made impressive strides during the past 5 years in the development of ballistic missiles and in the initial exploration of space. The technical complexity of missile and space technology has been matched by the administrative and management problems associated with legislating, planning, organizing, funding, and contracting for radically new activities of immense scope in a short period of time.

Initially there was no reservoir of public understanding of the scientific or military or prestige value of accomplishing various particular space flight projects. Yet, space technology was obviously a field in which major projects would become increasingly large and complex and expensive and would increasingly tend to take on the character of national and even global undertakings.

To further complicate matters, a rapidly multiplying number of alternative projects became technically feasible.

With limited economic and intellectual resources, it was—and still is—very important to distinguish between what is *possible* and what is *needed*, between what *could* be done and what *should* be done. The selection of space programs deserving of major emphasis is thus seen as reasonably typical of the problem of national program formulation generally.

In tackling a problem of this type, I believe we need to start our thought process not with the fact that a certain program being considered is or is not a space program, or an underwater program, or a land program, but rather with the functional objective to be accomplished, such as strategic reconnaissance, or air defense, or reliable global military communications, or scientific research, or enhancing our prestige with uncommitted nations.

To take the objective of reliable global communications for example, it should not matter whether messages are passed out to satellites and back to earth to allow communication between two points, or whether messages are passed along an underground or underwater cable between the same two points.

What matters in this problem is how well, how economically, how reliably the functional communications objectives can be met by various approaches.

The military space program when undertaken should be a competitively superior way of accomplishing a functional military objective. Likewise, in examining an objective of enhancing our prestige with many areas of the world, sending up a very heavy satellite into orbit around the earth will certainly contribute to this objective, but so would development of a cheap source of fresh water from sea water to be used in irrigating potentially productive land.

One hears much general public discussion and debate of whether the "military space" appropriations are too large or too small. In

my opinion, that is the wrong question in most contexts. We should instead address ourselves to whether the public appropriations are too large or too small, as examples, for military warning and reconnaissance, or for realistic and reliable arms inspection, or for scientific exploration of space in its own right, or for assisting the economic development of backward nations, or for generally stimulating the development of medicine or science and technology generally, or for promoting an understanding of our political philosophy aboard.

I believe that forcing ourselves to consider space programs competitively with other ways of accomplishing the same functional objectives will still lead to the conclusion that space programs can contribute sufficiently to national security, scientific progress, international prestige, and to the national economy to warrant a large and expanding program in space system development.

The key word is "contribute." Space programs are very important, but they only "contribute." The space age is surely not exclusively an age of space. In my opinion, arriving at an assessment of the level of effort for space programs starting from functional objectives will help select the right programs and will in itself assist in building the broad perspective needed for continuing correct judgment in these matters.

The identification of particular national security programs worthy of major emphasis is enormously complicated by the crucial importance of being first with superior military systems. A difficult compromise is required between the level of performance needed to insure that the system when developed at great cost will not be obsolete, and the necessity for the shortest possible development cycle.

This requires both a prediction of the rate of future technical development and a prediction of future operational value, each balanced against schedules and total development and operating costs.

The future possibilities which depend only on continued engineering, based on scientific principles which are known at the outset, and which are therefore relatively predictable, must be carefully distinguished from those future possibilities which would require really new inventions or new scientific discoveries, and are therefore relatively unpredictable and might drastically delay the schedule for a major program.

On the other hand, it is of course critically important to recognize the possible application and importance of new ideas and/or new scientific discoveries with the least possible time lag.

Needless to say, these judgments require a high order of understanding inside the Government of both science and technology along with many other disciplines. Surely we need a good deal of uncommon along with common sense in our policy-level decision makers.

Before leaving the planning process I would like to make an observation concerning the pattern of long-range planning and program formulation during the past 50 years. I believe it is true that our policy planning has frequently suffered because at any given point in time too much progress was expected in the short run, say 3 to 5 years, and too little progress was anticipated in the longer run, say 15 to 25 years.

Short-term development progress is frequently limited by such factors as temporary engineering difficulties, changes in personnel, shifts in public interest, and natural interferences. Longer term develop-

ment progress more nearly reflects the onrushing sweep of general scientific and technological development, and is occasionally given a quantum jump by unanticipated scientific discoveries, or by the belated recognition of the application of earlier discoveries.

This pattern of overestimating and underestimating appears to characterize such developments as the airplane, electronics, jet engines, nuclear reactors, rocket propulsion, or automation, which have had a strong impact on our national security posture during the past half century.

I would suggest that a detailed and objective historical examination of the actual course of technological developments of national scope as compared with the generally predicted course during each 5 years of the past 50 years might provide valuable insight for policymakers.

MAKING DECISIONS TO START OR STOP MAJOR PROGRAMS

Long-range policy formulation is given substance in part by decisions to start or to stop the flow of major resources to individual programs. I would like to make a few brief comments on the problem of making such decisions. Inevitably, when considering national security programs, a decision to start or to stop a major program must include a number of smaller judgments in the field of science and technology.

Consider the situation of a typical Government executive at policy level. Assume that he is clear on the scope and purpose of the segment of the Government organization that he is responsible for, and clear on the scope of his own authority.

The problem is more complex if he is only half clear on these matters. He is asked to make a decision to start or to stop a major program. He is confronted with conflicting claims, alternate approaches, perhaps some personal doubt of the importance of some part of the objective, signs of real or expected technical difficulties, rising cost estimates, or partisan public appeals. He knows that rapid decisions are important.

But several billion dollars and a good deal of national security may be involved, and the penalty for error is high. In these circumstances, the speed of decisionmaking is clearly tied to the personal self-confidence of the individual Government executive at policy level responsible for the decision, together with the self-confidence of his immediate associates with policy responsibilities.

If the decision requires an evaluation and understanding of complex scientific or technical questions, then I suggest that rapid and generally correct decisions require that either the senior executive involved or at least one of his immediate line associates have extensive experience and training in the planning and execution of large and complex technologically dominated activities.

Unless there are enough executives in full-time policy positions inside the Government at all levels with such experience, there must generally be time-consuming reviews by outside technical committees, or lengthy consultation with coordinate agencies, or the painful and time-consuming process of education, all of which contribute to delays in clear decisions.

Of course, the same general point applies to the importance in rapid decisionmaking of having legal or financial talent in responsible policy positions in Government where major decisions turn on legal or financial questions.

I do not suggest that we overemphasize the point and have too many scientifically or technically trained individuals in policy positions in Government, but "overemphasis" can only follow "emphasis."

As a test on this particular point, one might make a list of the top 100 policy-determining people in the three branches of Government—that in itself might be an interesting research project—and see if the proportion with scientific and technical training fits the general importance of science and technology today.

I recently read in public print the charge that it is the mistakes made by scientists and engineers in Government which have created many of our present national problems. I would not like to leave the impression that scientists and engineers never make mistakes or always decide important questions correctly. I believe they make many mistakes, probably in just about the same proportion as doctors, lawyers, businessmen, bankers, and so forth. But it would be a serious mistake to deprive the decisionmaking machinery of scientific and technological inputs.

Senator JACKSON. You have left out politicians.

Dr. METTLER. Before leaving the role of scientists and engineers in Government decisionmaking, I would like to comment on one element of personal self-confidence at the moment of decision: namely, the troublesome problem of assessing the true technical development status of a major program once it is underway.

The basic problem of determining status is, of course, not unique to the technical field. No chairman of a corporation and no policy executive in Government would dream of proceeding month after month without auditing the financial status of his operations.

It is customary for both corporations and departments of government to regularly conduct internal financial audits. Individuals especially qualified in the practice and the technical intricacies of accounting are employed specifically for this purpose. I suggest the concept of the "technical audit," to be conducted by individuals specifically employed because of their unusual qualifications in the practice and technical intricacies of component and system development and testing.

It is now possible to audit performance parameters such as accuracy, reliability, and range, in system development by means of recently developed techniques, to provide directly to policy-level executives in government, information to assist in regulating the flow of resources to a particular program.

To accomplish this function without excess administrative burden requires that proper steps be taken at the outset in laying out the development program to make a reliable technical audit possible. "Technical audits" have been employed in recent years in several major system programs with outstandingly beneficial results. Wider application of the specialized techniques involved could increase the personal confidence of policy-level Government executives in the correctness of decisions, and would in itself, I believe, speed up the decisionmaking process, both in starting and in stopping.

COMPRESSING THE DEVELOPMENT CYCLE

The importance of compressing the development-production-operational deployment cycle for these large and technologically complex systems upon which we depend for our principal military strength has frequently been stated during recent years. The problems involved in achieving compression of this cycle have also received much attention.

I suggest only that we should consciously identify, study, and learn from those large programs in recent years which the record now shows succeeded in dramatically cutting the development to operational cycle, even in the face of unprecedented requirements for technical innovation and scientific uncertainty.

We should also, however, be willing to identify and learn from those large programs which the record now shows have required excessively long development to operational cycles. I believe a careful, detailed study of the record and experience in the 10 or 15 principal large system programs during the past decade could contribute much to improving our rate of performance, and hence our national security, during the next critical decade. Such a study could examine both the preconditions in starting the program, the correctness of the initial technical and management concepts, and the program implementation itself.

There is considerable evidence to suggest that such a study might also show that the faster programs expend less total money than the slower ones when integrated over the total timespan. Examples of programs made large too soon would probably be found, along with some pushed with priority too late, and perhaps some that were just right.

Fortunately, the recent years provide for study an excellent example of dramatic achievement in compression of the development-production-operation-deployment cycle, in peacetime and fully within the checks and balances of our democratic system of government.

About 6 years ago, it became clear that the Soviet Union was carrying out a large and intensive development effort in intercontinental ballistic missiles. This country had no comparable program. A highly compressed program was rapidly established by the United States to develop, put into production, and operationally deploy intermediate and intercontinental range ballistic missiles.

As predicted by the late Dr. von Neumann, the ICBM program became the largest integrated technical development effort ever undertaken by this Nation. Unusually bold and courageous decisions were made at all levels. The results, fortunately, were spectacular. The Thor intermediate range ballistic missile was developed to the point where it was successfully launched from a military base by a military crew in training approximately 3 years from the date of the decision to initiate the program. Less than a year later—that is, less than 4 years from the start decision—Thor was fully operational in quantity overseas in England, manned by trained British crews.

An operational intercontinental ballistic missile capability was brought into existence in approximately 5 years, along with major Government and industrial and operational facilities, and a solid tech-

nological foundation was laid for later military systems and for the exploration of space.

Technical performance exceeded initial specifications in all major areas. This, in spite of the need for higher thrusts, larger and lighter missile structures, higher speeds and altitudes, higher component accuracies, control of higher temperature, smaller nuclear warheads, and more sophisticated guidance and control systems. The Atlas, Titan, Minuteman, Jupiter and Polaris programs are also examples of development on compressed time schedules.

I do not suggest that all military or space programs should be large and/or highly compressed. All systems are not equally ready for major development and all are not equally important; and of course uniform application of priority defeats its own purpose.

But I do believe we can take heart and learn from the national ballistic missile experience; namely, that with clear decisions and strong leadership, within the checks and balances of our system of Government, our private free enterprise system can do very well indeed. We need not take a back seat behind any nation.

DIRECT COMMENTS ON GOVERNMENT ORGANIZATION AND PROCEDURES

In closing, I would like to offer a series of specific comments on Government organization and procedures, with particular reference to the general topics discussed earlier, and science and technology generally. These are not necessarily in order of importance:

1. In my opinion, much progress has been made during the past 5 years in clarifying and focusing responsibility for strictly technical decision at policy level and for bringing technology more firmly into the national policymaking process. I refer to the appointment of policymaking executives for research and development matters in the three military services; the establishment of a Director of Defense Research and Engineering in the Department of Defense, the appointment of a scientific adviser to the President for science and technology, and the clarification of the responsibilities and authority of the Administrator of the National Aeronautics and Space Administration as contained in the currently proposed amendments to the National Aeronautics and Space Act of 1958. Fortunately the three military services themselves have long included men experienced in technology among their senior officers.

2. I believe it is extremely important to continue the progress made in recent years in unfettering and restoring the authority and operating freedom of the individual senior Government executive at the policy level.

This point is, of course, related to the need for achieving a proper mix of talents in the very top levels of Government. It is also related to the need for a better general public understanding of the complexity and difficulty of major Government decisions.

3. In general, I believe too much Government energy is devoted to building administrative mechanisms to root out duplication. It is clarity in defining fundamental purposes and objectives and the establishment of clear-cut authority to meet these objectives, on the one hand, rather than detailed administrative mechanisms, on the other hand, that will be really fundamental in achieving only the proper amount of duplication.

Significant duplication is actually relatively easy to find and to fix. It is finding and fixing important errors of omission which is hard.

4. I suggest further intensive development of the techniques of reliable and accurate technical auditing by properly qualified people, and a conscious wider application of these techniques.

5. I suggest that we give more emphasis to stating objectives in functional terms in our top-level policy planning and program formulation.

6. Although I have been primarily concerned in this statement with large system programs and primarily with the applications of technology, I would like to state one opinion of the relationship between science and Government. Really good scientific research is a delicate flower and should be nurtured wherever it takes root.

I make a distinction here between "science," on the one hand and advanced technology on the other. Although agencies such as the National Science Foundation and the National Academy of Sciences do not, and I believe should not, play a direct role in the national policymaking process, they can and should help create the proper intellectual climate in our Nation.

They must help build the nutrient which permits technology to grow. In a long-term and fundamental sense, sputnik does not teach us that we necessarily need an enormous space program; sputnik teaches that we need to increase our alertness to and our appreciation of the possibilities of science and technology in achieving our national objectives.

In closing, I am compelled to take issue with the widespread belief that a totalitarian system of government has strong advantages in the development and production of weapon systems because it can create a single monolithic organization, without the supposed handicap of maintaining personal freedoms, to push ruthlessly to meet its military and technological goals.

Obviously, we must recognize that totalitarian systems have many management strengths and are formidable and extremely dangerous. But I am convinced that our system of government has at least one clear management advantage: our bigness is partial, not absolute; democratic, not totalitarian. We have the advantage of widespread diffusion of centers having decisionmaking power.

Our bigness consists of innumerable self-determining, autonomous units: For example, over 100,000 different units of government, municipal, State, Federal; about 4.5 million units of business enterprise; hundreds of thousands of independent financial, industrial, commercial, professional, labor, agricultural, educational, and other associations.

Our society and our system of government are characterized by the interplay among all of these self-generating units, and do not depend for progress upon detailed directives from an impossible superintelligence at the top.

From this characteristic we derive strength which, on balance, outweighs certain apparent short-term strengths of a monolithic structure. With proper organization, with wise and bold leadership, our private free enterprise system, teamed with our free government, can provide for our own national security and can serve as an inspiration to peoples everywhere.

Senator JACKSON. Dr. Mettler, I want to commend you for a very helpful statement. I think you have helped to identify the broad areas where we can improve the present programs. I think, too, that you have helped to emphasize our strength as well as the areas that need attention in order to capitalize on that strength.

If I may turn to the last paragraph of your remarks, you have vividly described the interplay among all these free entities in our society. I think you have pointed out the strength of that kind of system.

Would you not say that the problem of maximizing the effectiveness of this freedom, this nonconformity, this nonmonolithic society, calls to our attention the need for proper national goals and national objectives?

Dr. METTLER. Yes, Senator Jackson; I certainly think it does. I believe it also underscores the very problem that this committee is examining; namely, the need for the proper kind of organization to tap the full strength of this marvelous system which we do have.

Senator JACKSON. And if we are going to make the best possible use of this free system of ours, we need to identify the critical areas within a given project, like space, and concentrate on those critical areas, without trying to cover the wide gamut of everything.

I gather that is a part of your recommendation in that area, as an example; is it not?

Dr. METTLER. Yes; it is.

Senator JACKSON. I wanted to talk in general terms about organization. How do you feel with reference to the delegation of responsibility for a given critical project with highly competent and, therefore, of course, well selected people to do the job, as opposed to complex organizations that are set up from time to time, causing people who are supposedly in charge to report to one group after another before a final decision can be reached?

Dr. METTLER. Senator, I feel strongly that to carry out a complex program with heavy scientific and technological components, it is essential that there be a clear delegation of authority and responsibility to a single operating level of management.

In this regard I feel unusually fortunate in that I have participated in a program where this particular thing was accomplished.

Senator JACKSON. That is what I was leading up to, Dr. Mettler. I was interested in the missile program back in 1953-54. In 1954 it really started to get underway. As I recall, one of the big problems that Air Force had in the initial stages of the effort was the fact that in order to get a decision, they had to go through so many committees and so many assistant secretaries that decisions were delayed. Gradually these obstructions were removed.

I take it that, therefore, you feel that the important thing is first to get competent people in charge; I mean delegate responsibility to highly competent, capable people——

Dr. METTLER. Yes; I do.

Senator JACKSON. Place responsibility on their shoulders, make them deliver the goods, and then, assuming that the project is in keeping with our national objectives, try to provide a minimum amount of interference in carrying out their assigned mission.

Dr. METTLER. I would certainly subscribe to the process you have just described.

Senator JACKSON. The reason I asked this question is that I followed with interest, starting in 1949, the work of Admiral Rickover, then Captain Rickover. I remember that he was sort of a one-man organization. Directives and all sorts of bureaucratic, entangling barbed wire did not, somehow entangle him.

The result was that this country was first in nuclear propulsion. I think he is an outstanding example of what I am trying to get at in the way of the importance of people.

So I take it that you feel that in considering this organizational problem that a primary consideration—I do not say it is necessarily the most important—is the selection of competent people who can stay with a given project. Would you say that?

Dr. METTLER. Yes; I would certainly say that having selected clearly the objective in functional terms, so that it is clearly understood what the desired end point is, the next most important step in the implementation process is to assign that objective clearly and with the proper authority to an appropriate organization.

Senator JACKSON. While we are in this military area, do you feel that as long as military officers are involved in science and technology, there should be some departure from the customary military practice of moving people around constantly?

Dr. METTLER. I certainly do. In my view, the problem of managing and generally carrying out the responsibilities of the Government in a large program are such as to be almost incompatible with the standard rotation and shifting of individuals, which sometimes occurs.

Senator JACKSON. General Schriever is certainly an example of the wisdom of providing for continuity of assigned service in connection with the ballistic missile program; would you not say?

Dr. METTLER. Yes; I certainly would agree with that.

Senator JACKSON. I know that the services are making some changes in that regard, but I personally feel that not all of them are fully cognizant of the change that has occurred in modern warfare as a result of science and technology. I am happy to hear you say that the practice of assigning and reassigning officers who are engaged in these **technical programs** at least should be minimized, where critical projects are involved.

How do you feel about international cooperation in the satellite program? Some of us last year recommended at NATO satellite project as one example of international cooperation.

Dr. METTLER. I believe you have struck a resonant chord there. I feel that there is a tendency to become so enmeshed in our projects in the space field, in our individual projects, as to somewhat underestimate the enormous impact which a space experiment has. When a satellite gets far enough away, like 5 million or 6 million miles, it tends to make this little globe on which we live look pretty small.

I believe there are enormous possibilities for accomplishing serious scientific objectives while simultaneously encouraging the kind of international cooperation with such experiments and programs that might lead to international cooperation on a broader scale.

Senator JACKSON. Is it not a fact that even some of the smaller countries in our European, Western community can make some rather substantial contributions in the construction and development of

vehicle systems—I am thinking of electronics, miniaturization, and so on—even though they do not have the resources to develop their own systems of thrust?

Dr. METTLER. I certainly believe they can contribute. Judging from our own mail in the days following the recent space shots, there is a clear, worldwide interest in the centers of culture and at universities generally throughout the world, most of whom could, I believe, support, with a little help, the development of small components and pieces, even though they might not have and may never have a large thrust rocket.

Senator JACKSON. At the NATO Parliamentarians meeting in 1958, where I served as chairman of the Science Committee, Dr. Theodore von Karman felt very strongly about the importance of working with our allies in this type of scientific undertaking, because they could make a realistic scientific contribution in an area of great interest to them.

He referred, to be specific, to the area of meteorology. I think we have some very competent weather people in some of the smaller European countries, as well as in the larger ones. He cited that as an example of where they could aid in a meteorological satellite and the followup in the evaluation of findings from such a satellite system.

Would that be an example?

Dr. METTLER. Yes; I agree generally with the point, and I agree specifically that meteorology is an area in which one might arrange a tighter coupling between the effort in this country and efforts in the free world generally.

Senator JACKSON. Dr. Mettler, I liked your remarks where you pointed out the value of the functional approach to the space problem.

It seems to me that by following this route, the Nation could save a lot of dollars and also a lot of its important scientific resources by properly defining its national objectives, without going helter-skelter in all directions.

I take it you feel that the importance of the space program, for example, to our international prestige, is clearly a proper national objective.

Dr. METTLER. I believe it is. I think, having thought about this question a good deal, that there are really four reasons for engaging in space projects. One is certainly a contribution to the national security; one is certainly scientific research; I believe one is specifically to add to our international prestige; and finally, it is not inconceivable that space programs can actually contribute to economic development.

If I might use an example, worldwide color television to help dissolve the Iron Curtain is certainly technically possible. If this is a proper national objective, it certainly can be done technologically.

Senator JACKSON. Dr. von Neumann, I believe, back in about 1954, in an article in *Fortune*, spoke glowingly one day of scientists controlling weather. I am using it in a very broad sense, of course. Certainly he mentioned that a better knowledge about weather and the prediction of weather would first of all be of great economic benefit to mankind.

Dr. METTLER. I believe so. I think starting with weather observation, the means of predicting the trend, would certainly be a typical and, I believe, potentially very useful application.

Senator JACKSON. Knowing how hurricanes are formed, and the ability to learn more of just how weather itself is formed, by observation from great distances from the earth.

Dr. METTLER. Absolutely.

Senator JACKSON. So one could also say, in connection with prestige, I take it, that there might be such things as political satellites in the support of international political objectives.

Dr. METTLER. I think there might.

Senator JACKSON. I am not trying to confuse this with Iron Curtain satellites.

Dr. METTLER. I do not think it is desirable or necessary to conduct space experiments which are stunts. However, I also say I do not think they need be stunts. In fact, they can best serve their purpose in a long-term sense of contributing to our international prestige if they are legitimate, serious undertakings.

Senator JACKSON. In other words, good scientific satellites have good political implications for the furtherance of our own national objectives.

Dr. METTLER. I believe so. I do not really feel I am as competent to judge as perhaps other people what is good or bad politics. But I do believe that one should forthrightly accept and use the possibilities of space vehicles and space exploration generally to enhance our prestige throughout the world. I do not see any point, any reason, anything to be gained by being shy on this point. I just think we should do it.

Senator JACKSON. I think it is clear that whether we like it or not, this country has always been known for its scientific and technical competence. We have not necessarily stood at the top of the list when it comes to culture, but we have been identified before the world as the country that can always get things done in these areas. Therefore, we can ill afford to bypass certain great exploratory areas that will be explored whether we like it or not.

Dr. METTLER. Yes; I believe that is right. And I would add that I think a critical point is to insure that those nations that are observing our progress and our activities clearly see that we can, that this culture and this system of government can conduct even very large, even global undertakings within the checks and balances of its system.

I think it would be a very devastating thing if the uncommitted nations of the world felt that one needed a monolithic, totalitarian system in order to carry out the kind of large, technological programs which are obviously here and increasingly likely to be carried out in the future.

Senator JACKSON. Good organization at this point becomes of critical importance, does it not, in the identification of the right projects, so that one does not get involved in too many different directions that are not in keeping with one's national objectives?

Dr. METTLER. Yes; I am convinced it does. One might say that we need wisdom along with imagination. I think it is easier to imagine a long list of programs than to pick out the ones that should really be accomplished.

Senator JACKSON. Now, if I may turn to that point in your statement where you use a private corporate analogy of a technical audit, I wonder if you could enlarge on that?

At one point you say:

"Technical audits" have been employed in recent years in several major system programs with outstandingly beneficial results.

Could you just elaborate a little on that?

Dr. METTLER. Yes; I could. I will try to do it without getting into the special language that people use when they talk about these things.

Senator JACKSON. If you wish to refer to your own organization, do not hesitate. I think your organization has had an outstanding record. Do not be shy about it.

Dr. METTLER. Thank you. I will try not to make it sound like a commercial.

I think one might develop the point as follows:

The general techniques employed in putting together larger and larger aggregations of equipment to what is called the "system" are relatively new. It is not so long ago that one spoke of the "ignition system" of an automobile. So the word "system" occurs over and over again these days, when considering something like a ballistic missile or space system, by any previous definition, it should be called a supersystem.

Recognizing this complexity, and hence its probable bearing on decisionmaking, a system of this kind is sufficiently complex that it is very difficult to know at any given point of time where all the parts and pieces really stand. There is the haunting doubt that the watchspring will not get there in time to put all the other 10,000 pieces together.

In the past 10 years or so, and increasingly in the last 4 or 5, by a straightforward attempt to isolate those elements of performance which can create visibility for the management of the program, it has been possible to track rather well the performance of individual parts of a complete system and to interrelate their potential effect on the total program in such a fashion that it is possible for the management generally—and I believe this includes Government executives in even larger enterprises—to have that kind of information concerning whether or not the reliability, for example, objectives of a weapon system are being met which will permit one, by examination of data available today, to predict and understand what the performance is likely to be several years from now.

Senator JACKSON. So it is not only a current auditing system in which you are advised of what the situation is, but it is also a qualitative procedure?

Dr. METTLER. What one starts with is a realistic audit of what the current status is. In employing such information in decisionmaking, one must then translate the audit of current status into its possible effect on the future status of the program.

If one properly isolates the correct items and selects the right things to look at one can, with a relatively small amount of effort compared to the total program—characteristic of what one thinks of by the word "audit"—literally audit the current technical status.

I hope I have not confused you.

Senator JACKSON. No. Let me see if I can put this a different way. Then I can perhaps translate this.

What you have related is the techniques that you use where you are developing an important and vital system for the Government, we

will say. This is the internal mechanism that you are talking about within your own organization.

Dr. METTLER. Yes.

Senator JACKSON. This makes it possible for you to report just where you stand from day to day.

Are you suggesting that maybe some of these techniques might be used, for example, within the Department of Defense, in keeping tab on not just one, but several systems that are being developed?

Dr. METTLER. Yes; that is specifically what I am suggesting.

Senator JACKSON. Has there been any effort, as far as you know, for the Government to take advantage of this experience that has been apparently quite effective in the development of these complex systems?

Dr. METTLER. Yes; there has been some effort. I think it is a new and unfolding process. I personally have had conversations, for example, with Dr. York and his immediate associates on this particular point.

My reason for bringing it up and putting it into the statement is that I believe that it is a part of the general evolution of the techniques for developing and building large, complex devices.

Senator JACKSON. Computers have helped a lot in this field, have they not?

Dr. METTLER. They have helped, but the sort of thing I am really referring to here depends more on qualifications of the individuals and their charter to perform this operation than it does on a mechanistic use of the computer.

Senator JACKSON. I really meant computers that are fed by competent people cranking in the right data, of course.

Dr. METTLER. Yes.

Senator JACKSON. Because it has to start from a premise of some validity. I am thinking, therefore, of a computer as a tool in the hands of competent people.

Dr. METTLER. I believe there is much opportunity for the application of such techniques.

Senator JACKSON. While we are pursuing this point, Dr. Mettler, I wonder if you feel that there is room for improvement in getting better people at the critical levels of government that must make decisions that are based on recommendations that come in from private corporations, nonprofit corporations, by people of great competence because they have been selected without regard to salary limitations and that sort of thing.

As you know, our next set of hearings, as I indicated earlier, will deal with the role of people. That is week after next.

Dr. METTLER. Yes.

Senator JACKSON. I have had the feeling that we have done quite well in using the contractual device, first used on a big scale in the Manhattan Project, then in the Atomic Energy Commission, in getting the best possible talent to bear from private enterprise.

I think we have accomplished some miracles in other fields by utilizing, as I say, the great and rich experience of private corporations, universities, nonprofit corporations.

What does disturb me is this: In those areas where we have contracted these things out, the contractors have done an excellent job;

but I wonder if you could say that we have done equally as good a job at the governmental level, in trying to make available people who can act, act with some decisiveness, and act competently, with imagination, with respect to the work done by the private contractors.

Dr. METTLER. I would certainly be happy to comment on that. I believe that it certainly has been possible to bring good people, trained in science and technology—and I will limit my comments to this field, because I am most familiar with it—into government. Names like Kistiakowsky, York, and Glennan are certainly an illustration of this.

Senator JACKSON. I want to say I concur with you. I was not speaking in a derogatory sense of anyone. I am just speaking of a broad need.

Dr. METTLER. I understand that.

I do believe that there is a critical need, and it is clearly, without question, one of the most critical problems, to bring more such people into government.

I have not personally experienced the problem of attempting to attract people into the Government and seeing why they refused or why they left. But I would suggest, if it has not already been done, that it would be reasonable to examine in detail the reasons why the last 100 people, for example, that have been asked into important positions in the Department of Defense or State or the Government generally, have turned the job down, or why they have left when they were already in the Government.

One would have to do such a thing carefully and anonymously but I think the statistics might be of benefit. I might say that I do believe that the conflict-of-interest interpretation has been extreme, that there needs to be a modernization, if I may use that word, of the principle, which, of course, is clear and understood.

Senator JACKSON. I am glad to hear you say that, because those laws were passed a long, long time ago, and a House committee is undertaking some hearings on that. We will get into that the week after next.

I feel that in addition to taking action in that area, which is negative, that is, the removal of barriers that were based on conditions that no longer exist, some arrangement must be worked out whereby the Government can contract with universities, nonprofit corporations, and private corporations for use of top personnel for given periods of time in which the interests of both parties, the Government and individual entities, can be protected.

I do not see how, Dr. Mettler, we—and by “we” I mean the Federal Government—can do this job that has apparently been cut out for us, which may take 10, 25, or 50 years, and do it with just Government personnel in the general definition of that term.

It seems to me that with the complex requirements that the Federal Government must meet in areas that were undreamed of just a few years ago, it is inconceivable to me that we can do it with the regular, shall we say, career-type of Government personnel alone.

Is that an unreasonable view?

Dr. METTLER. I think I would agree with that. There are, of course, as I think everyone is familiar with, a series of different problems. I would suggest that a portion of the problem that deserves special

attention is the length of time that the critical policy executives spend in the Government.

Senator JACKSON. I wanted to ask you if you had any comments that you might make in a constructive way, as you have been here today, regarding any organizational problems that you have been up against in your experience, where you feel some improvement has been made and can still be made.

You have certainly undertaken some very vital tasks and, I think, achieved some effective results, indeed, in the management of important systems. Could you just start out by indicating what your problems were at the outset, in general terms, and then what improvements have occurred and what you still hope for in the way of improvement?

Dr. METTLER. Yes; I can comment on that.

As I indicated, I believe myself fortunate in having been a part of and having participated in a program, the ballistic missile program, which I believe is unusual in that it has been exceptionally well handled in this respect.

In general, as a matter of fact, the problems that we have encountered have been recognized and hopefully, in most cases, overcome in a fairly straightforward fashion.

I think I would comment on the difference between this country today and, generally, those situations where a large program is set up for what one might call a pure objective; that is, if it is a pure military mission or a pure scientific mission, then generally one has available machinery to work with and to work on.

One of the most troublesome problems, and one of the most difficult, really, is the carrying out of those programs where it takes the summation of contribution to a number of different objectives to create the full justification for a complete program.

Senator JACKSON. And this takes time.

Dr. METTLER. This takes time. It is very difficult. My personal experience has been one that has been clear and straight.

Senator JACKSON. It has taken time, but you would hope there would be some means by which that time factor could be compressed.

Dr. METTLER. Yes. As we all get smarter about these things, I think it should be possible to do some compressing.

Senator JACKSON. Senator Gore, did you want to ask a question now?

Senator GORE. I believe not. I have enjoyed the testimony of the distinguished witness, but having arrived in the midst of his testimony, I believe I will desist.

Senator JACKSON. If you want to ask questions later, fine.

Mr. Pendleton?

Mr. PENDLETON. I must say, Dr. Mettler, that the prepared statement you have made here was one of the finest statements of a belief in our country and in the features of its government that I have heard. I almost felt like clapping when it was over. It was very good, and we appreciate that kind of breadth being brought in here.

In view of what we saw in the press the other day, however, I should not have been surprised to learn of your ability in this field. I saw that one of your people had repaired a satellite 51½ million miles away.

Would you mind, in very simple, two-syllable words, telling us how you do that?

Dr. METTLER. You are talking to the relative of a baby in a baby contest, at this point. I saw that article, too, and was interested in the construction put on it.

What happened was that a particular component in Pioneer V, which is about 5 million miles away, failed. One of the things one does in designing that kind of a system is attempt to insert redundancy, so that if a single component fails, the whole system does not fail.

By examining the messages coming back, it was possible to determine what particular tiny component from among many thousands had, in fact, failed, and it was then possible to essentially change the code, translate it into a different "language," and continue to determine what the actual data was.

It is an interesting bit of experience, in that it was possible to continue to receive useful messages from this particular space probe, even though one of a number of thousands of components failed.

Mr. PENDLETON. Do you think the Russian satellites are good enough to be repaired 5 million miles away?

Dr. METTLER. I really do not know. I would rather not say. We do not know what is up there.

Mr. PENDLETON. Thank you, Mr. Chairman. That is all.

Senator JACKSON. Senator Gore?

Senator GORE. How big a payload can we hoist a million miles?

Dr. METTLER. How large a payload can we hoist a million miles?

Senator GORE. Yes.

Dr. METTLER. I am not sure I can pull the answer to that out of my head at the moment. I suspect that at this point it is in the vicinity of 1,500 pounds.

Senator GORE. Sufficient for a nuclear warhead?

Dr. METTLER. Oh, yes; certainly.

Senator GORE. Sufficient for a nuclear weapon and a stage which could be separated for telemetering?

Dr. METTLER. Yes.

Senator GORE. Then it would follow, would it not, that the United States now has the capacity in nuclear tests of detonating a nuclear weapon 1 million miles from the earth and telemetering the results back?

Dr. METTLER. It does follow, and it is possible; yes.

Senator GORE. In what order of magnitude—well, I might get into classified information here. I will rephrase my question. Would it be possible to thrust a nuclear weapon of megaton capacity to this distance, or would it be confined to kiloton capacity?

Dr. METTLER. I am quite certain it would be a weapon of megaton capacity.

Senator GORE. Doctor, if the United States now has the capacity to do this on the megaton basis, what would be your view of the Soviet capacity in this particular regard?

Dr. METTLER. I am almost certain, judging from what we know of their Lunik, for example, that they have the thrust and vehicle capability to do the same thing.

Senator GORE. They have greater capability of thrust than we have yet developed, have they not?

Dr. METTLER. Yes.

Senator GORE. Doctor, what would be the comparative cost of thrusting a thousand pounds 1 million miles into space with a telemetering stage and the digging of an underground cavity sufficient to conduct a megaton test with instrumentation? Would you be able to give us an estimate on that?

Dr. METTLER. I certainly would not. I cannot answer it. I can comment that I am sure it is possible to get a rational, detailed answer; but I cannot answer it out of hand.

Senator GORE. Although such opinions have been expressed to me privately, insofar as I know, this is the first time a competent scientist has made a public statement that we now have the capacity of conducting a megaton nuclear test 1 million miles from the earth and telemetering information back. It seems to me that this is information to which the people of the United States are entitled.

I know that when this particular probability was suggested as within the capacity of the Soviet Union a few months ago by the junior Senator from Tennessee, being a nonscientist, he was the butt of a good deal of ridicule. I am glad to hear that we now have such a capacity.

Would you be able to express an opinion on our capability of detecting such an explosion at this distance, or several more million miles into space, on the party of some other country?

Dr. METTLER. I could not express that opinion, because I just have not personally worked on that problem. I am, of course, aware that studies of this problem have been made.

Senator GORE. Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Senator Gore. I think your questions have been most helpful, and I think it brings to bear the problem of detection of tests in outer space. We had some discussion this morning about the problems of underground detection, of underground shots, and I know that Dr. Teller and others have expressed their concern about the problem of detecting underground shots of certain yields and the detection of shots, nuclear and thermonuclear, far out into space.

Senator GORE. Would you yield just a moment, Senator Jackson?

Doctor, once the payload is thrust 1 million miles, once it escapes the gravitational pull of the earth, additional distances are fairly economical; are they not?

Dr. METTLER. Yes; and also unavoidable.

Senator GORE. Excuse me. I will go now. Thank you.

Senator JACKSON. Dr. Mettler, needless to say, we are indebted to you for your contribution today, and we hope that we will be able to call on you later when we get into some more specific recommendations. Your statement and your answers in response to questions have been very helpful indeed.

Dr. METTLER. Thank you very much.

Senator JACKSON. The Chair would like to announce that, as he indicated earlier today, the first witness tomorrow will be Dr. Eugene Wigner, to be followed by Dr. Edward M. Purcell, and the last witness, who will probably be in the afternoon, will be Dr. Herbert F. York.

The subcommittee will stand adjourned until tomorrow at 10 o'clock.

(Whereupon, at 3:30 p.m., the subcommittee recessed, to reconvene at 10 a.m. Wednesday, April 27, 1960.)

SCIENCE, TECHNOLOGY, AND THE POLICY PROCESS

WEDNESDAY, APRIL 27, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m. in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Also present: Senators Bush and Stennis.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, staff members, and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The committee will come to order.

This is the third and final day of our second set of hearings on science, technology, and the policy process. The question now before our subcommittee is this: What is the right way to organize our Government to get the right scientific and technological programs at the right time?

The subcommittee's search for answers to this question represents one part of a broader task. That broader task is to determine whether our Government is now properly organized to meet successfully the challenge of the cold war.

Yesterday we heard from Dr. James Fisk, the head of Bell Laboratories, Dr. William Pickering, head of the jet propulsion laboratory, and Dr. Ruben Metler, the executive vice president of Space Terminology Laboratories.

Our first witness this morning is one of the most distinguished physicists of our time, and of the world. He is Dr. Eugene Wigner, professor of mathematical physics, Princeton University. Dr. Wigner is also the recipient of the U.S. Medal for Merit, the Enrico Fermi prize, and he is designated to receive the Eisenhower Atoms for Peace Award this year, I believe, in a month or so.

I might also call to the committee's attention the fact that I believe on the opening day of the session I mentioned the five famous scientists from Budapest, Hungary. We have one of the five here this morning, Dr. Wigner. The other four distinguished scientists include the late Dr. John von Neumann, the world's greatest mathematician; Dr. Theodore Von Karmen, world famous aeronautical engineer, if not the greatest living aeronautical engineer today; Dr. Leo Szilard, who unfortunately is in New York in critical condition with cancer; and the last is Dr. Edward Teller, better known as the father of the hydrogen bomb.

There are many things I could say about our distinguished witness this morning, but as I mentioned the other morning when Dr. Perkins made the point that mathematics is a detection device for picking out good scientists for the future, the five famous and distinguished scientists from Budapest had all won prizes in mathematics in high school that started them at least in a substantial way on their distinguished scientific careers. I believe they all grew up—of course they are different ages—but not too far apart in this town of Budapest. We are all grateful for one thing, and that is they went west and not east.

Dr. Wigner, it is a real honor for us to have you with us this morning and I believe you have a prepared statement. You may proceed in your own way.

STATEMENT OF DR. EUGENE P. WIGNER, PROFESSOR OF MATHEMATICAL PHYSICS, PRINCETON UNIVERSITY

Dr. WIGNER. I deeply appreciate the opportunity to speak here today. Little did I dream of such an opportunity when I landed, some 30 years ago, on a gloomy February 8, on these shores.

The two questions which were asked me concern the progress of U.S. science and technology, particularly its relation to Russian progress, and the effectiveness of the administration of our scientific and technological programs. Before I go further, let me say that any competence which I may have for answering these questions is largely confined to the area of physics. My knowledge of the situation in other fields is derived principally from conversations with others.

Perhaps I might summarize at this point the main conclusions which will follow:

1. In pure science, we are strong at present and, as of now, our leadership has not been effectively challenged.

2. The situation is less favorable in applied or "mission oriented" science, especially in military applications. In particular, the U.S.S.R. does not seem to be lagging much behind us and it is ahead of us in many regards.

3. We must do our best if we wish to prevent the Russians from surpassing us in applied science and technology. Unless we can more nearly parallel their purposefulness, they will prevail.

This applies not only to science but also to our human approach to other people.

4. In order to take full advantage of the strengths inherent in our system to promote mission oriented projects, the following measures are recommended:

- (a) We should make every effort to find strong and competent leaders for our crucial projects. Once such a leader is appointed, he should be given adequate time, money, and authority to make substantial progress.

- (b) We should suppress programs without hesitation if they either do not show adequate progress during the time specified, or if changing circumstances render the objectives of the program unnecessary.

- (c) Committees should be used to initiate projects, to select leaders for them and to review their progress after the period specified. They should not interfere with the project during the time for which it was set up.

(d) Both in pure and in applied science, we should strengthen collaboration with scientists of other nations, not only by maintaining laboratories abroad, but also by offering at least temporary but preferably permanent employment on a larger scale.

(e) We should try to make the exchange of information on applied science more nearly a reciprocal affair.

These are the five recommendations I would like to make. I know how easy it is to make recommendations but I realize how difficult it is to carry them out.

Let me make, next, a few remarks about the difference between pure science, about which I am not particularly concerned now, and technology and mission oriented science, in which we are not out in front.

I mean by pure science the effort to become acquainted with the laws of nature. Mission oriented science and technology are efforts to increase our power and ability to do something. The difference between the two is, therefore, principally in the objective of the effort, but this is not all. The whole spirit of the endeavor is different, depending on whether one wants to know, for instance, the laws of gravitation or wants to construct a machine which abolishes gravitation in a certain area. Nevertheless, as this example shows, the two endeavors cannot be sharply separated.

PRESENT SITUATION

As to our strength in pure physics, I have made a list of the most important experimental and theoretical discoveries which have been made since the war. The list is reproduced as an appendix. (See p. 384.)

Senator JACKSON. The lists will be included in the record at the conclusion of your remarks.

Dr. WIGNER. Even allowing for a certain bias on my part—which I have tried to compensate for but perhaps not adequately—it is evident that our position is very strong. If I look at the table it shows nine theoretical and nine experimental discoveries made in the United States and three of each in the U.S.S.R. and about the same number made in the rest of Europe. It is important to realize that the past is never a measure of the future and *the situation may change any day*. It is also important to realize that the list refers only to physics—even in mathematics, the list of most important discoveries would not be weighted so heavily in our favor. However, in pure physics and at the present time, there is not much cause for alarm. Our science is vigorous and we are, on the whole, successful.

The situation is much less favorable in technology and in applied physics, in particular in military applications. It does not seem that the U.S.S.R. is lagging behind us very much in these fields and it is ahead of us in many regards. The first sputnik is still vividly in our memory and some believe—and some Russians claim—that they were the first to explode a hydrogen bomb.

I would like to make at this point a few remarks, pointing to the dangers of the situation in which we excel in pure science, the Russians in mission oriented or applied science and technology. The military strength depends more on a successful technology than on the ability to discover the laws of nature. Furthermore, and very importantly, our scientific discoveries are freely published and are at

everyone's disposal almost as soon as at ours. This is not true of technological breakthroughs, and the Russians, in particular, are very successful in concealing them. We still do not know very much about the technology of the first sputniks and we may be ignorant even of the scientific results which they furnished. It is hard to believe that the large Russian satellites' scientific exploits were so much more meager than those of our "grapefruits," to use Khrushchev's words. The danger is very great, therefore, the U.S. science works for the whole world, whereas Russian science works for the increase of their might. Dr. Wallace R. Brode made a very similar point in his response to the award of the Priestley Medal. Maybe Mark Twain was not so far wrong when he said that truth is our most valuable possession, we should be economical with it. Perhaps we dispensed it overgenerously. Certainly, the power relations would be different today had we withheld the publication of our results on transistors for a few years.

REASONS FOR THE PRESENT SITUATION

It is natural to ask whether our strength in fundamental science, and the Russian strength in applied science, are somehow results of our social systems. It is surely impossible to answer this question categorically. Nevertheless, there are elements in our system of government which favor the flowering of pure science, and there are elements in the Communist system which support applied science more strongly.

Let me make first a few remarks on the first point. In his inaugural lecture at Leiden University, Professor Van Vleck has brought out the point that fundamental science flourishes best in an atmosphere of freedom where the flight of imagination is not hampered by the apprehension lest the results may displease the authorities, where one is not used to suppress one's thoughts on any subject for fear that they may run counter to some official doctrine. Particularly since the official doctrines in Russia hardly relate to the physical sciences, Van Vleck's point remains doubtful. We may recall that absolute freedom not only of thought but of publication was widely claimed after the war to be an absolute necessity for successful work in pure *and* in applied science. The Russian success in applied science, achieved in complete secrecy, surely exploded this doctrine. Nevertheless, it is perhaps more than a comforting thought to believe that the sense of freedom, the feeling of liberty, foster the higher flights of the imagination.

Some of the causes of our strength in basic science are perhaps also the sources of our weakness in the applied sciences. Our best people are diverted from the applied field, and it is not easy to find a first-rate scientist working in an applied physics laboratory. The situation is apparently very different in Russia where the scientist cannot choose his own field equally freely, and many of them are diverted into the applied and into the military laboratories.

A friend of mine a short time ago asked a Russian friend of his why the progress of Russian pure science is less vigorous than he would have expected and his Russian friend said, "You know, we were mobilized until recently."

Senator JACKSON. That is a good substitute word for dictatorship.

Dr. WIGNER. In addition, according to the Communist doctrine, the prime, if not only, purpose of science is to find technological applica-

tions and this belief, surely widely held, unquestionably benefits technology in Russia. Also, as mentioned before, the relation between United States and U.S.S.R. technologies is not symmetric; we teach them what we have found out not only in science but also in technology to a far greater extent than we learn from them what they have found out.

Finally, the Russian political system renders it much easier to control and direct the applied and technological work. In particular, it is very difficult for us to discontinue some line of work even if the promise or purpose of it has ceased to exist and even if it was undertaken, to begin with, only as an insurance. Any plan to discontinue a project provokes cries of protest often with only thinly veiled references to the possible harm to the reputation of the contractor and to dislocations in the lives of its employees. These protests often take the form of leaks to the public press in which public indignation is provoked that we permit the Russians to get ahead of us in the field concerned. No need to say, these difficulties do not exist in Russia and if, in the best judgment of those in charge, a project has ceased to be useful, it is discontinued without further ado. I have heard of military installations turning out, for longer or shorter periods, sewing machines. The sewing machines were not particularly good but the conversion of a useless military plant into a sewing machine factory saved the necessity of building a new sewing machine factory. It would be very difficult for us to do something of this sort.

The last point brings up a general observation which might well have been made under the heading of "Present Situation." If one looks at the two countries—at the United States and at the U.S.S.R.—with some detachment, one finds the one happy and comfortable, with most of its desires and ideals close to realization. The other one strains every muscle to get ahead of the former, to increase its might and power. This purpose is in the minds of its leaders whenever they make any decision, whenever they lie down, and when they rise up. Unless we can more nearly parallel their purposefulness, they will prevail.

MEASURES TO IMPROVE THE SITUATION

I now come to the second question on which I was asked to comment: The management of the program. I am afraid the measures I advocate are tiny measures. The principal measures I would like to advocate are in the psychological and emotional field but those are not things which would well fit in with questions which I am competent to answer.

The preceding section enumerated the advantages which a totalitarian regime has in guiding and controlling applied science. We should more fully take advantage of the strengths inherent in our own system. There are several specific measures which I wish to advocate.

If a job has to be done, the desirability and possibility of which has been attested to by the consensus of the military and scientific community, a leader shall be chosen with very great care to guide it. However, once the leader is chosen, he should be given adequate funds and sufficient time to make at least very considerable progress. During this time, and while he stays within his budget, he should be let alone and should not be subject to pressures and inquiries. I am think-

ing of arrangements similar to those made for the Manhattan project during the war, the success of which, according to General Groves' own opinion, would not have been possible if it had been constantly investigated and if it had not had a good deal of independence and freedom to use the judgment of its leaders. At the expiration of the period given to the project, the leaders should be called to strict account and if, either because of the weakness of the enterprise, or because of changed conditions, its continuation is no longer in the interests of the country, it should be discontinued without regard to sensibilities. The procedure outlined differs from the present one by using the individual initiative and interest of the project's scientific talent more fully, by its wholehearted delegation of authority, and by its insistence on responsibility.

The procedure outlined demands great sacrifices from the present authorities and also from Congress. Neither of these likes to abandon its day-to-day influence and both are afraid that the ultimate control may slip away from them. These sacrifices are necessary.

The ruthless suppression of the project at the end of the specified period, either because of lack of adequate progress, or because of changed circumstances, is an integral part of the proposal. In particular, we should not continue a project of marginal value just because of an outcry "the Russians will get ahead of us." It should be understood by all that any well organized country can pass us in any particular field of pure or applied science if it concentrates its effort on it. The sooner we adjust our thinking and statements to this fact of life, the better it will be for us. I would like to quote here a sentence from an article, "A Bitter Pill," in the *Physikalische Blätter*, which is the West German Physics Today (1958, vol. 1, p. 48) :

It is a source of disappointment that it is attempted (by the U.S. science) to maintain at every price the glory of the one who is superior always and in every regard. We should maintain, rather, a balanced program, as vigorous as we can make it, but based on our own estimate of the national needs and requirements.

Let me make a few remarks, next, about scientific collaboration, particularly with our allies. If we compare the size of the scientific personnel trained in our colleges and institutions with the size of the scientific personnel trained in Russia, it becomes at once evident that we must husband our forces and make the most effective use of the joint scientific personnel of the free world. The resulting scientific collaboration will also strengthen the bonds between the free countries but I am not now concerned with this point. Right now, I wish only to emphasize the necessity of maintaining or achieving a strong position in applied science where we are in danger of being surpassed. This danger is further increased by the fact that we are not able to choose the time and area of the conflict.

There are two ways toward a more effective collaboration which I can see. The first is the elimination of unnecessary duplication of technical work, here and abroad. In many cases, if a line of work abroad appears to be promising, we jump at it even though, as a result of agreements, its accomplishments would be available to us anyway. This is wasteful and the temptation to have a finger or even a fist in every pie should be resisted.

Second, shortages in our technical personnel could be much alleviated by employing more foreign scientists in our country. I am not

thinking of employment for months but of permanent employment. You may know that I myself was "imported" in this way into this country and it has been alleged that this and other similar imports have paid off. A particular way of importing foreign science is the foundation of research laboratories abroad as has been done by several of our leading organizations. This is a good way; bringing the scientists to this country is better.

The last point I wish to make has nothing to do with any particular competence which I may have in physics. It relates, however, to so striking a phenomenon that it would be very difficult for me to let this occasion go by without calling emphatic attention to it. It is that whereas human dignity is infinitely more cherished in our civilization than in that of dictatorships, whereas the recovery of Western Europe, under our economic system, was vastly faster and more complete than that of Eastern Europe and was accomplished, furthermore, at the cost of infinitely less suffering, that whereas in our civilization the power and comfort of the poorest is very much closer to the power and comfort of the richest than in the Communist nations, nevertheless, a large part of the world believes that human dignity is more respected in Russia than in America, that communism is the road to quick economic progress, and that the communistic governments bring equality of power and wealth between rich and poor. These misconceptions are so widespread, so tenaciously held by such multitudes of people that one can only wonder whether we are unable to communicate our ideals and accomplishments or whether perhaps we made it more profitable for people to confess to the falsehoods which I enumerated.

The struggle for men's minds is on and it is quite possible that the conflict between democracy and dictatorships will be won not by the armies, not even by the scientists, but by the philosophers, psychologists, and missionaries who articulate and communicate our ideals.

There is a saying that the First World War was won by the chemists, the Second World War by the physicists, and possibly the third world war will be won by the philosophers.

So far we have been remiss in joining the fight for the minds and loyalty of other people. There are many in our own ranks who are misled, and fewest are misled behind the Iron Curtain. In order to join the fight, we must enlist the active help of the philosophers, psychologists, and all those who are familiar with the working of the human mind and the human emotions and who share our ideals and aspirations. Our efforts so far are pitiful if compared with the accomplishments of those who have guided, or misguided, human emotions in the more or less distant past. We have reluctance, based on our past and traditions, to fight for the loyalty of others, to explain the ideals which are dearest to us. Unless we teach ourselves to overcome this reluctance and make a true and systematic effort in this regard, we shall be taught by the circumstances to do so, and this will be just as unpleasant as it was unpleasant for all nations to be forced to adopt a new weapon by those who used it effectively.

Thank you. This ends my statement.

Senator JACKSON. Thank you, Dr. Wigner, for a very thoughtful and a most provocative statement indeed on this important subject. I will ask a couple of questions and then turn the questions over to my colleagues.

I take it that your position in general is that in pure science we have a clear lead but in applied science and technology they have a lead. What it boils down to is that we have in fact the human talent, the resources to utilize but we are not directing them properly on key and vital projects.

Dr. WIGNER. This is what I tried to say.

Senator JACKSON. I think you have brought this out very clearly. From time to time there has been much confusion about our scientific capability. I for one have always felt that we have the scientific resources. It is a question of our purposefulness. It is a question of whether we are going to have some direction in our society in those areas which affect our survival. The Russians have been able to take a situation wherein they have only had about 40 years to do this enormous job but with limited resources they have channeled and marshalled them in the right direction, which has added enormously to their power.

Dr. WIGNER. Perhaps I should say the Russians were excellent in pure science much before the Communists came to power.

Senator JACKSON. I meant in quantity. They had great and famous and outstanding scientists long before the revolution.

Dr. WIGNER. They had famous people but what they have succeeded so well in doing is making science flexible and adaptable to their needs. In other words, they have succeeded in putting science into the service of their Government and to the service for increasing their national power to a much greater extent than we have. The progress of Russian science is spectacular, unquestionably, but it is not at all unparalleled and the progress in science in many other countries has been quite comparable, and in particular in this country.

I remember when I came to this country science was essentially a neglected field. Now we are out in front but we are out in front in pure science whereas the Russians, while strong in pure science, are perhaps more nearly out in front in applied science.

Senator JACKSON. By excelling in pure science we have made available that information all over the world and in some areas of the world it saved them from doing a certain amount of work, has it not?

Dr. WIGNER. Very, very much so.

Senator JACKSON. I believe you tried to make that point and you did in your remarks. The Soviets have taken that basic, scientific knowledge and applied it in the areas that would be most useful to them in developing power in the broadest sense of that term.

Dr. WIGNER. That is so, Senator Jackson, but we should not disregard of course the fact that they have been making very considerable progress also in pure science.

Senator JACKSON. They have outstanding physicists such as Peter Kapitsa. There is a long list of them who are first rate, would you not say?

Dr. WIGNER. First rate indeed.

I can think of three in particular who were all first-rate scientists. Three of these were trained in the pre-Communist time which shows that they always had good science. The Communist system has supported this wholeheartedly and has supported it not only where it increases its power and might but also in general. We should emphasize this point: They have supported pure science also wholeheartedly in

many cases with utmost vigor; but they have also supported wholeheartedly applied science and they did not permit it to be pushed into the background.

Senator JACKSON. Is it not a fact that they have made concessions in their totalitarian system to the scientific community, concessions of freedom to a point, giving them greater latitude, greater recognition, and so on.

Dr. WIGNER. One suspects that there are several of the scientists who would not be free if they were not scientists.

Senator JACKSON. The Russians have found freedom a useful device to be made available to the scientific community in Russia in limited doses where it will do the most good.

Dr. WIGNER. Yes; and I think in some ways we should learn from them. If we have a Communist on the faculty, we should not push him out. He may be wonderful in teaching physics, for instance, and I very much doubt that he will convert anyone to communism. The fact that he is a Communist should not make us dispense with his services as a teacher.

Senator JACKSON. As long as he keeps teaching——

Dr. WIGNER. Only physics or mathematics.

Senator JACKSON. You feel that Marxism has not been able to revise the laws of mathematics and physics yet?

Dr. WIGNER. I am afraid mathematics and physics are more than they can convert to the cherished beliefs of the Marxists.

Senator JACKSON. Do you feel that the Communists have to bow to the laws of physics every now and then and they find it useful to do so?

Dr. WIGNER. Yes; they find it useful to do so.

Senator JACKSON. I was particularly interested in your comments, Dr. Wigner, about the importance of exchange and cooperation with our Western friends and allies. I presume you refer in large part to Western Europe.

Dr. WIGNER. To Western Europe; yes, sir.

Senator JACKSON. As you know, some of us have been active in promoting fellowship programs, within the NATO community. We have tried to suggest that there be even a more closely working relationship within that community among the scientists. Is it not true that we could avoid a lot of duplication, we could achieve certain objectives faster by utilizing some of the fine talent in that great community with which we are closely associated?

Dr. WIGNER. I have heard innumerable very favorable comments on the NATO fellowships and also on the contracts which the Naval Research Laboratory has given in France, in Israel, and in England as well as Belgium. They were extremely useful but they were extremely useful principally in fostering good will and collaboration. I do not know whether it is possible or even desirable to plan pure science so as to avoid duplication, and I do not think that these fellowships and projects, useful as they are and important as they are, really do accomplish this purpose.

If we speak about avoiding duplication, we should think mainly of applied science which we are more nearly in a position to orient and direct. It very often happens that a field of research is supported strongly by the Government and a similar situation exists in Europe.

They accomplish some marked success in one field. Well, we jump into it. I think that is unnecessary. We should try to develop what we have started and let them develop what they have started. I think particularly of nuclear reactors. I think we could avoid a good deal of duplication that way.

The fellowship programs are very useful and create an extremely powerful bond between the countries but generally I feel our shortages will not be relieved that way. Similarly, a fellow coming to visit our country does not relieve our shortages.

I had occasion more recently to see what unbelievable difficulties our smaller colleges experience in finding adequate teaching staffs. Of course, it is very difficult to find some one in another country who can really jump in and give a course on freshman physics at a small college. However, if we bring them to this country first in the capacity of assistants or some similar capacity, I think they will grow into our system and they will become useful members of our educational and applied science system.

From all that I have seen, we can trust them just as much as we can trust our own citizens. This country has the very fortunate ability to be able to acquire the loyalty of relatively new immigrants to an almost phenomenal degree.

Senator JACKSON. At that point, could you elaborate on the number of people who were at the top level in the Manhattan project who were not born in this country and who made a substantial contribution?

Dr. WIGNER. It must be admitted that the number was substantial and partly because many of our American born colleagues were put into other projects earlier, so that many of us foreign-born scientists remained available at the time when other projects were already well on their way. Just the same, the number to which you have referred is quite impressive and includes, of course, Fermi, Szilard, Teller, Bethe, and a number of others.

Senator JACKSON. And it included Niels Bohr, later in the project. I believe he was smuggled out of Denmark.

Dr. WIGNER. He was smuggled out of Denmark. He had a more distant relationship and on less of a working level.

Senator JACKSON. Then there was a large number of scientists from England, Dr. Penney, among others.

Dr. WIGNER. Yes, sir. There the collaboration was truly wholehearted. In fact, we reaped more benefits from it than the British—much more.

Senator JACKSON. The British made an enormous contribution to the Manhattan project, did they not?

Dr. WIGNER. An enormous and wholehearted contribution to the Manhattan project.

Senator JACKSON. Would you not say, therefore, that the Manhattan Project was an outstanding example of cooperation among a group of scientists who came from many different lands as well as our own?

Dr. WIGNER. Indeed that was so. Unfortunately it is true that it was made possible partly by virtue of the fact that many people believed it would not lead to anything and it is easier to agree to wholehearted cooperation if you do not believe it is going to lead anywhere.

Senator JACKSON. You feel, then, that if you feel you are going nowhere you feel you can get more steam that way.

Dr. WIGNER. That is right.

Senator JACKSON. I think we have sometimes operated that way and still we have had problems.

Senator BUSH. I was interested in your discussion about the Manhattan project. I felt that that was an illustration of how an enormously important project could be conducted and because of the tremendous importance of the national safety and the national security, it was conducted on a secret basis and I think it is one of the outstanding examples of what can be done when the national security is involved. I think of it now because I have felt myself in the past year or so there have been so many compulsions of a political nature upon our military to disclose important data, that it has had a deleterious effect upon our position, and it has even been somewhat dangerous. I know some members of the Joint Chiefs of Staff have testified right here in meetings like this that they were deeply concerned about that, and I have always felt that the Manhattan project was a good example of what could and should be done when you are dealing with matters that are of such importance to the national security. Do you not think that is so?

Dr. WIGNER. Indeed so. However, at that time the program also had the wholehearted cooperation of the press, and this is now a very, very difficult problem. The situation now is if somebody leaks some information to the press and it becomes public, nothing can be done about it. I doubt that this situation is a tenable one.

Senator BUSH. I notice in your remarks you commented about our tendency to tell the world everything about our strength and position and I was glad to see that cautionary note in your comment. I feel exactly that way about it myself.

I think you have delivered a fine paper here, Doctor. I have full admiration for this paper.

You pointed out some things that needed to be pointed out and I hope a lot of attention will be paid to what you have said here this morning.

I am particularly pleased to hear someone of your standing in science say we are strong and as of now our leadership has not been effectively challenged.

I do not think many believe or understand that is so. I believe coming from you that is good news.

I also applaud your caution against trying to have a finger or even a fist in every pie. I do think we have had that tendency and I recognize your caution that we cut the cloth to fit our own suit; that we approach the scientific problems and develop the products to our needs and for our defense and for our cooperative defense of the free world. This is very, very important.

I am glad you have emphasized that.

I am glad too that you mentioned that the recovery under our system was accomplished much more rapidly with infinitely less suffering. I do not believe people have recognized that.

It suggests that we not proclaim too much our own virtues; that we should be more interested in proclaiming the virtues of others rather

than proclaiming the inadequacy of their superiority when an occasional illustration of that kind presents itself.

I regret that I have to leave. I am not a member of this committee, but the chairman most graciously invited me to attend these meetings. I want to say that I think you have made a very significant contribution to our thought here and to the work of this committee and I congratulate you.

Dr. WIGNER. Thank you.

Senator JACKSON. Thank you, Senator Bush.

Senator MUSKIE?

Senator MUSKIE. I want to add my compliments to those you have already received on this fine statement this morning.

The first question I have for the purpose of clarifying my own understanding of what you have had to say, relates to this statement which you made. You say that the danger is very great, therefore, that U.S. science works for the whole world whereas Russian science works for the increase of their might.

I take it from what you have said elsewhere and from your recommendations that you consider this to be a danger which we must risk. You are not suggesting that we ought to do something less or that we ought not work for the whole world?

Dr. WIGNER. I am sorry, but I could not follow you completely there.

Senator MUSKIE. Perhaps I should repeat my question.

The quotation from your statement to which I referred was this:

The danger is very great, therefore, that U.S. science works for the whole world whereas Russian science works for the increase of their might.

I take it from the tone of your statement and recommendations that you consider this to be a danger that we must risk. You are not suggesting that we ought to do less than this or that we ought to change our policy with respect to it.

Dr. WIGNER. To a certain extent, I think we should change our policy. I certainly would not recommend that we should not support pure science wholeheartedly and I certainly would not suggest that purely scientific results should be kept secret; no. We should support pure science strongly and wholeheartedly.

Senator MUSKIE. And there should be a free exchange of information and knowledge in this field.

Dr. WIGNER. In pure science; yes. I am not too sure whether or not we have gone too far in divulging technological accomplishments. In particular, I was questioning—with very little knowledge—but I was questioning the wisdom of our having communicated our results on transistors so very, very fast. If we had waited 2 years, surely our own work on transistors would have suffered some, but the difference between the free world and the Communist system would have been greater.

I do not believe that the Russians show an equal generosity in communicating their results and much of what we learned from them even in pure science seems to have been extracted with pliers.

If you are interested, I could quote the fact that our knowledge of their accelerators until the first Geneva Conference was practicably nil, and accelerators are some of the prime tools of pure science.

Just a few weeks before the first Geneva Conference, they published about six papers which evidently were not written in those few weeks. In these papers, they told of very significant and very far-reaching results in high-energy physics. This is an indication that they do not consider it necessary to tell us about their results even in pure science at every point and very completely. They have told us many things, but apparently not everything.

Senator MUSKIE. Are there two sides to this problem of getting information as to Russian progress? Let me ask that question in the context of a personal experience.

I was in the Soviet Union last fall with members of the Senate subcommittee to study Soviet hydroelectric progress. In the course of our trip there, we accumulated a lot of Soviet scientific publications in this field, quite a number of them.

When we returned to this country, we thought we would make sure that all of these publications had been translated into English and we wanted to be instrumental in arranging for this in connection with any publications which had not. We were not under the impression that any of these documents were particularly secret. They were simply documents that we had accumulated.

We found that not one of them had been translated into English. Is this lack of alertness on our part depriving us of important information with respect to Russian progress not only in applied sciences but in pure science?

Dr. WIGNER. I think you have put your finger on a sore point. Very few of us American scientists speak Russian and many of us are so overworked that we do not find the time to read all Russian publications; not even those which are available and not even those which have been translated.

The Russian's situation is much better. I do not know how it is managed, but they are more familiar with our work than we are with their work. It is possible that their larger number helps them. It is possible that they are more widely familiar with English than we are with Russian. I agree with your point that not only is information not always available but even the information which is available is not always fully digested and utilized.

Senator MUSKIE. To go to another question that your observations have suggested, you suggest that our discoveries and our progress in applied science should not be made so freely available to the rest of the world, including the Soviet Union.

Now, who is to make the determination as to what information ought to be available?

Dr. WIGNER. Of course, I do not know but it seems to me that if there is a greater awareness of the problem, then, in the case of the Government work, the contracting agency can do something. As a matter of fact, I found in private companies a great deal of understanding for this problem, not universal understanding, but a great deal of understanding.

Senator MUSKIE. There appear to be only two alternative means of exercising the control you mention. One is self-imposed discipline on the part of the people who make these advances and, secondly, Government control. I take it you would be reluctant to make any move in the second direction?

Dr. WIGNER. I really don't know. It is very difficult to have something not divulged if many people know it and if there is no compulsion whatever against divulging it. Most discoveries are not made by a single person but by more or less large groups.

When transistors were manufactured, there were hundreds of people who had known about them and had made some sorts of experiments on them. I know I am making myself very unpopular with these statements.

Senator MUSKIE. There is a difference between the Manhattan project and what we are talking about now. The fact that this secret about the Manhattan project existed was an open secret and we were able to control it, but with respect to a given project under a given set of circumstances.

What we are talking about now is applying this type of secrecy now across the board in undisclosed ways and this is more dangerous.

Senator JACKSON. May I intervene right at this point? I had the impression, Dr. Wigner, from your statement that what you had in mind was a slowing down of the dissemination of the information in applied science.

Dr. WIGNER. That is right.

Senator JACKSON. You can see that it is inevitable that this must get out but we do not have to publish immediately to the world what our findings are before we produce something in quantity. Once production gets underway the world is on notice.

I believe your point in the case of transistors was to the effect that we could have slowed down the Russian competence in this field by maybe a couple of years if we had not accelerated the rate of dissemination of information.

Dr. WIGNER. That was the sense of my statement.

May I bring out another point, which is perhaps significant, that the first attempt to make the information which led to the Manhattan project secret came not from the Government but from some far-sighted people, in particular, from Dr. Szilard. It was the scientists who recognized the desirability of some secrecy.

What we are after is, of course, the greatest freedom and quickest dissemination of information in every way, but I am getting a little doubtful that we accomplish this by giving out our information freely and not asking for anything in return.

Quite possibly, the free flow of information in every direction would be enhanced if we did not say, "Oh, we will give you everything regardless of whether you give us anything." The aim is and always will remain for every scientist to have free flow of information, but the question is how do we get to this most expeditiously?

Senator MUSKIE. I am glad that Senator Jackson interrupted because he stated what I understood to be your attitude on the whole problem. I do not suppose we can go much further in nailing down the means for controlling this.

I would like to point out, however, that in your recommendations, of course, you suggest in some respects a freer exchange of information on applied science on a more nearly reciprocal basis which is really a qualification.

Dr. WIGNER. Yes, and it is meant to be a qualification that we should try to obtain information from the other side approximately as freely as we give it. I do not think that this is an unreasonable suggestion.

Senator MUSKIE. Have you any feeling as to whether or not the Russians would be more inclined to offer information as to their technological advances more freely if a frontal approach were made to this problem?

Dr. WIGNER. Of course, if I can get oranges free on the market, I will not pay for them. If somebody gives me oranges only if I give him nickels for them, I will give the nickels for them.

Senator MUSKIE. I think you have put your finger on it.

Let me turn to another question. I was impressed, as was Senator Bush, with your point that we should be making a more selective and a more balanced approach to our efforts in all fields including the field of applied science. I think this statement of yours:

In particular we should not continue to project a marginal value because of an outcry, "The Russians will get ahead of us."

It would seem to me you had something specific in mind and I wonder if you would be interested in disclosing what you had in mind.

Dr. WIGNER. What I described happens not infrequently, but the specific examples are not suited for detailed discussion because in every specific case one can argue a great deal and no specific case is clear cut.

Senator MUSKIE. Is that not the problem?

Dr. WIGNER. Yes, it is. But I do not like to see the situation that as soon as somebody says the Russians will get ahead of us, this cuts off further discussion. This is not a tenable situation.

Senator MUSKIE. I do not necessarily force this subject on you, but I wonder if you had in mind something like the competition between the different military services in the missile field. Is this something that you had in mind?

Dr. WIGNER. I am very unfamiliar with the missile program and I really do not know the situation there. I did not have the missile field in mind because I know so little about it.

Senator MUSKIE. In that, you are not alone.

I was interested in your suggestions for correcting manpower shortages in the scientific field. You made the statement somewhere that it is very difficult to find a first rate scientist in America in the applied science field. The only recommendation you made which has any bearing upon that is that we employ more scientists from overseas and from other countries.

Dr. WIGNER. That is a very anemic suggestion.

Senator MUSKIE. Do you have any suggestions as to how we might strike at the heart of the problem?

Senator JACKSON. When you said it was anemic suggestion, I am not so sure about that. Did you have in mind that by bringing in foreign scientists who are highly competent in the applied field we could save some time during this critical period when we need them until we can train more applied scientists or applied physicists or applied technologists?

Dr. WIGNER. That is part of it. I believe another suggestion which I made would also help. I know that very often when it is suggested that someone undertake a project, he is scared away because he has seen the many pressures, the many administrative difficulties which he would encounter. This comes under the heading of letting him start the program, give him time and money and leave him alone until

the day of reckoning comes. It is very uncomfortable to work under constant pressures when someone constantly comes to you and tells you exactly what to do or what not to do.

I think if we gave the scientists more freedom and let them use their own initiative more, we would find more of them attracted to applied science.

Senator MUSKIE. When I raised the question it was not for the purpose of criticizing your suggestion because I think all of your suggestions are excellent. I simply wanted to touch upon another subject which I did not think you intended to touch upon, to which you might have an answer for us.

It strikes me as strange that in this field we should have a shortage of "practical" skills, to use another word for applied, because America is a country that develops skills in the practical field. Why should we have difficulty here?

Dr. WIGNER. It is very puzzling, indeed. A partial explanation may be found in the fact that pure science is relatively new in America and every novelty has a great attraction and challenge. Pure science does present a challenge which is very difficult to parallel and it is very difficult if not impossible, to persuade a person who is interested in pure science to leave it alone and go and try to do something practical.

Just the same, we should do at least our best to encourage it and encourage applied science also. One of the ways of offering encouragement—and I realize it is incomplete—is to give these projects more standing and burden them with less interference. I am more in favor of having a day of reckoning when the scientist will have to say what he has accomplished. This is a challenge and not a brake.

Senator MUSKIE. Might the reasons for this shortage be similar to the reasons, for, say, the shortage of engineers?

Dr. WIGNER. Yes. Of course, there is also the question of our training of large numbers of people and training them adequately. I admit that I cannot propose a cure. All I have mentioned are measures which would alleviate the situation.

Senator MUSKIE. Last year a subcommittee of the Government Operations Committee conducted a survey on the feasibility of having a Department of Science. Legislation modifying that proposal was introduced but this proposition is still before the Congress. I wonder if this is something to which you have given any thought and to which you might have a reaction which might be of interest to us.

Dr. WIGNER. I cannot see how a Department of Science would function. This may be just a lack of imagination on my part, but the fact is that neither I, nor any of my friends, with whom I have discussed these questions can see clearly how a Department of Science would function in this country.

Most countries in Europe have a department of education which also is a department of science. It is in charge, however, of all the universities, all the institutes of technology. These are all state controlled in the countries to which I am referring and which includes Germany and France in particular.

We do not have any U.S. universities, we do not have any U.S. institutes of technology. All of our universities and institutes are either State administered or privately administered. I think they

function very well and it does not seem that there is a real need to change their administration. I think that a change of our system would lead to dislocations and problems which are unnecessary.

Senator MUSKIE. I think one of the arguments made for it last year was that such a department might contribute to raising the prestige of the work in the scientific fields particularly insofar as government activity may be involved.

Dr. WIGNER. I think the prestige of pure science is adequate and I do not know whether a real scientist needs so much prestige. I often think we have too much prestige. I think somebody who is sincerely interested in science will become a scientist even if he will not be able to parade in the first row.

Senator MUSKIE. May I suggest you are a prime illustration of that?

Dr. WIGNER. I have perhaps had more than my share of recognition and I appreciated it, but there is a need for recognition also in applied science. This country has every reason to excel in applied science. It was great in applied science much before it was great in pure science.

Senator MUSKIE. Thank you, Dr. Wigner.

Mr. PENDLETON. In your statement, you refer to our not being out in front on mission-oriented science. Could you explain what you mean by "mission-oriented science and technology"? Would the space probes and satellite efforts be in that field?

Dr. WIGNER. Yes; the production of satellites is very definitely in this field. We do with the satellites a great many things or we expect to do with the satellites a great many things which are pure science, but putting a satellite into an orbit is mission-oriented science. When the satellite is in orbit, it may be able to discover radiation of the sun in a frequency region which we cannot discover under the atmosphere. This would be a discovery in pure science.

In other words, the satellites launching and production is mission-oriented. Some of the use of the satellites, I hope, will yield important scientific results.

Mr. PENDLETON. What is your reaction to the scientific results so far from the space probe Pioneer V and the satellites Tiros and Transit?

Dr. WIGNER. I am delighted with our success with them. I am not familiar with the purely scientific results which Tiros so far has provided but I am very confident that I will in due course become familiar with them and they will be significant.

As I mentioned in my statement, even though our satellites are much smaller than the other satellites, they have provided the bulk of scientific information up to the present time.

Mr. PENDLETON. I have before me, Dr. Wigner, a column by Roscoe Drummond from the April 6 edition of the Washington Post. Mr. Drummond says:

The scientific knowledge we are now gathering from outer space is becoming impressive. More dramatic achievements are in the making.

In spectacular firsts—first sputnik, first lunik, first to photograph the unseen side of the moon, first to hit the moon, first to send an animal into space and retrieve it safely—the Soviet record is preeminent.

In significant scientific results the U.S. space program is clearly outdistancing the Russians.

Do you agree with this?

Dr. WIGNER. If we know the Russian results, then I do. The most important scientific results from the space program were published by the United States.

Mr. PENDLETON. You are referring now to this problem of reciprocity in the dissemination of technical knowledge?

Dr. WIGNER. I just do not know what the actual facts are and I do not see how I can know, and I do not want to make statements on questions which I do not know.

Mr. PENDLETON. Without objection, Mr. Chairman, I would like to have the full article inserted in the record.

Senator JACKSON. Mr. Drummond is a fine newspaper writer, but he is not a scientist. However, we will include it.

(The newspaper article referred to follows:)

[Washington Post, Apr. 6, 1960]

OUTER SPACE BOX SCORE NO LONGER IS ONE SIDED

By Roscoe Drummond

Now that U.S. Pioneer V is continuing to send back its reports more than 3 million miles toward the sun and U.S. Tiros I is orbiting the earth observing the weather and transmitting its photographs, this is a good time to ask: How do we now stand with the Soviets in the race to outer space?

The factual answer, I think, is this:

In significant scientific results the U.S. space program is clearly outdistancing the Russians.

In spectacular firsts—first sputnik, first lunik, first to photograph the unseen side of the moon, first to hit the moon, first to send an animal into space and retrieve it safely—the Soviet record is preeminent.

U.S. space projects are beginning to move more rapidly. More launchings are coming soon and in the development of rocket thrust, where the Soviets have been far in the lead, the new Saturn launching vehicle, capable of 1½-million-pound thrust, can be ready in 1963, ahead of schedule, if Congress approves the funds.

Alongside the Soviet spectacular firsts, the United States is achieving some outstanding scientific firsts.

Tiros I, weighing 270 pounds and containing two long-range cameras and equipment capable of receiving instructions and transmitting data to ground stations, is the world's first weather eye in space. It circles the earth about every 90 minutes at an altitude averaging 450 miles. This is a marvelous, though elementary beginning. The next weather satellite will contain greatly improved instruments. The time will come when the weather forecaster will no longer be the butt of jokes because of his mistakes. When man can predict the weather scientifically, he may well be able to control it.

Pioneer V is another scientific first. It now appears probable that we shall be able to talk to it and get information back even when it is 50 million miles away. We are getting data on the temperature inside and outside of the satellite as it continues on its orbit toward the sun. It is also sending valuable information on the magnetic fields in outer space.

Altogether the United States has now launched 15 earth satellites of which 6 are still in orbit. The Soviets have successfully launched three, all of them much heavier than ours, of which one is still in orbit.

The United States has successfully launched four deep space probes. Two of them—Pioneer IV and V—substantially achieved their orbits. The Soviets have successfully launched three. Each achieved its principal objective, one orbiting the moon and another hitting the moon.

As to failures, ours have been publicized. The Soviets have kept theirs secret. There are three reasons why our space program has lagged in "spectacular" firsts—and that adjective, spectacular, is used in admiration, not in criticism.

We were late in starting and we started timidly.

We tied our space program to the military missile program and when we found that militarily we did not need as powerful a launching thrust for the Atlas as first believed because we developed much lighter weight nuclear warheads, then there was no military reason for developing the kind of rocket best suited to explorations of outer space. We didn't develop it. The Soviets did.

For too long the administration tended to look at outer space through the wrong end of the telescope and hence failed to see until the Soviets were well in the lead, that Moscow would garner incalculable prestige if we allowed them to leap to the front in space exploration. We failed to see early enough that by being first in outer space the Soviets were advancing the cause of communism by demonstrating Soviet superiority on a very visible and dramatic front.

The scientific knowledge we are now gathering from outer space is becoming impressive. More dramatic achievements are in the making. We expect to put a man into nearby outer space this year and we are making solid headway in developing a rocket with a thrust of 6 to 12 million pounds capable of putting a man on the moon.

No longer is the box score on space one sided.

Senator JACKSON. Do you feel that authority should be delegated to a person in charge, a highly competent person, and should he be given full authority to do the job without being constantly interfered with?

Dr. WIGNER. That is exactly how I feel about it.

Senator JACKSON. Would you say Admiral Rickover's achievement of the nuclear submarine is a good example of what can be done in the way of applied technology when such an arrangement for delegation of authority is provided?

Dr. WIGNER. Definitely. That is one of the programs in which we seem to have been successful.

Senator JACKSON. And we have been first in this area?

Dr. WIGNER. As far as we know.

Senator JACKSON. That is true, so far as we know.

You have made it clear in answer to questions put by Senator Muskie that there is a need to step up our effort in applied sciences and technology. Would it be helpful to do more in the area of Federal aid in particular for teachers, in critical subjects of mathematics and physics? Do you have any opinions along that line, assuming that the States are not doing enough?

Dr. WIGNER. The summer programs have been extremely useful and very good.

Senator JACKSON. You are referring to the provisions in the Defense Education Act in which summer seminars have been arranged for courses being made available to high school teachers in physics and math?

Dr. WIGNER. They have been very useful and very effective. I think other similar measures would be very helpful also. Also a little persuasion to employ as physics and math teachers people who know physics and mathematics and not only education would also be very useful. However, this is apparently not within the competence of the Federal Government but within that of the State governments.

Senator JACKSON. Dr. Wigner, once again we want to thank you for your helpful contribution this morning. We particularly appreciate your very honest and candid replies to the questions and the presentation in general of your testimony.

Dr. WIGNER. Thank you for the opportunity, sir.

(The appendix to Dr. Wigner's statement follows:)

APPENDIX

Experimental Discoveries

Theoretical Work

Lamb shift and the electron's magnetic moment
Maser

Renormalization

Explanation of super conductivity

PARITY NON-CONSERVATION

U.S.:

Mesons and hyperons
Size and shape of nuclei
Transistors
Pion and nucleon scattering
New accelerators
Van Allen layer

Strangeness
Nuclear shell model
Dispersion relations
A-V interaction
Many body problem

U.S.S.R.:

Cerenkov radiation
Second sound
New accelerators

Conserved current
Theory of superfluidity
Analysis of general relativity

Elsewhere:

Pinch
Mossbauer effect

Collective model
Dispersion relations
TCP theorem
Statistical theory

Senator JACKSON. Our next witness this morning is another physicist of world distinction, Dr. Edward Purcell, professor of physics at Harvard University. He played a key role in the development of radar in World War II and is a ranking authority on microwave phenomena, nuclear magnetism, and radio frequency spectroscopy.

He has served on the Air Force Science Advisory Board and is now a member of the President's Science Advisory Committee. In 1952 he received the Nobel Prize in physics for discoveries in nuclear magnetism.

Dr. Purcell, it is a real privilege to have you with us this morning. I believe you have a prepared statement.

STATEMENT OF EDWARD M. PURCELL, PROFESSOR OF PHYSICS, HARVARD UNIVERSITY

Dr. PURCELL. It is a rather short and rather general statement which I should like to read with some interpolations. Perhaps I should add that I am, of course, a scientist working outside of government, and a teacher. I have been connected on and off with Government problems for the past 18 years in various capacities, particularly the one the chairman mentioned, the Air Force Science Advisory Board and most recently the President's Scientific Advisory Committee. I have also worked on a number of ad hoc study projects.

I am not in any sense an expert on Government organization and the observations which I shall make on organizational problems are simply the result of a few practical experiences in a limited area.

Senator JACKSON. You may proceed in your own way and when you are finished with your opening statement we will ask questions.

Dr. PURCELL. Science is deeply involved in the security and in the welfare of our country. That is the overriding reason why the ad-

vancement and application of science is a concern of the Federal Government.

The importance of science for military technology has become obvious to everyone. That science was also the origin of our advanced industrial technology, whose benefits we take for granted, is not so well understood, but people do look toward science for the solution of problems of immediate human concern like disease. There is a growing awareness, too, that one element in the challenge of Communist societies—a serious and substantial element of the challenge—is their purposeful dedication to the development of science and technology across the whole spectrum from theoretical physics to agriculture.

From these considerations alone it is plain that the Federal Government has the responsibility to promote the most effective and rapid application of science to military defense, to encourage and support scientific contributions to the public welfare, and to maintain our national position in the forefront of science and technology.

But the job is even bigger, the horizon even wider. I am convinced that science can make a much greater contribution to the welfare and vitality of the free world than a simple projection of trends would suggest. Indeed, I believe that if we come close to living up to the potentiality of science and of our own intellectual resources, we shall find the strength and knowledge to cope with the most acute material and social needs of the coming decades and we shall be able to take on confidently any Communist competition.

So, the challenge, in the widest sense, is to make the most of our opportunities. The danger is that we may set our sights too low.

We ought not to look only to Government for leadership in setting these distant goals. That responsibility is shared, in a free society, by the whole scientific community. It is a task for all of us, including the departments of Government, to promote a public understanding of what science can mean for our future.

Now I turn to your practical questions about how we can best get on with this complicated enterprise in which the Federal Government is already so heavily engaged. What has to be done to insure effective application of science in the national service? Two things, at least, are absolutely necessary:

- (1) Promotion of vigorous growth in the pure and applied sciences;

- (2) Alert recognition of opportunities for application and—what is often more elusive—action to concentrate effort on the task.

The first mission depends on education and research. The Federal Government is necessarily committed to support research on a very wide scale; through the fellowship programs it is directly supporting the advanced education of scientists.

A point I would like to make in passing, a rather obvious one to anyone who has been connected with this kind of an enterprise is, that not only money but administrative wisdom is needed in a long term program of support for basic research.

One has to keep new knowledge and new ideas as the goal, not regular reports and administrative tidiness. For instance, immediately after the war the support of much research in the basic physical sciences was undertaken by the military departments, notably the

Office of Naval Research. Other departments had programs too. There was no very logical apportionment of projects, often no direct relation between a project and the mission of the supporting service. Notwithstanding this rather illogical and makeshift structure of Federal support, the program was remarkably fruitful. Our current lead in many fields can be traced directly to it. That was an example of imaginative and flexible administration which reminds us that a logically unified organization is not the only good apparatus—perhaps not always the best—for some functions.

Today we have in the National Science Foundation the proper instrument for Federal support of basic research in the physical sciences. It ought to continue to grow; it is the right kind of organization, and it has been doing a very good job.

The second function or mission, identification of a task and prompt effective organization to accomplish it, is one that organizational structure alone cannot bring about. But organizational structure can surely hinder it, either because the task fits no agency's conception of its own mission, or because several agencies can claim it and do, and have to be coordinated, or simply because a department's structure is too rigid to allow the right team to be pulled together for the job.

It seems to me the watchwords should be flexibility and task-oriented teamwork. I have no formula for accomplishing this and indeed, would be suspicious of any general administrative solution. The main thing is to find ways to give good men freedom to work directly together toward a challenging goal.

After these general remarks I should like to reply briefly to certain specific questions you have put.

One, long-term planning for science and technology, is an essential function of Government. We need to do more of it. We have to remember that the scientific breakthroughs defy prediction, but even if one cannot accurately project the development of science, it clarifies one's vision to try. Some trends and possibilities can be foreseen. And I believe one can make a valid projection of some very important national needs, to which science and technology can contribute decisively.

To illustrate the problem of looking ahead, I should like to recall an early attempt in this direction to which I was a party in the Science Advisory Board of the Air Force just after World War II. Under the leadership of Dr. von Karman, a document was prepared entitled, as I recall it, "Toward New Horizons." It attempted to chart the course that technology might take in the next decade or so and point out its relevance to the Air Force mission. It would make interesting reading now. I have not seen this report for many years, but I can guarantee you some things are not in there. Some of us had the job of writing the part of the report that should have predicted the transistor. No such prediction was made; the transistor hadn't been invented yet.

Despite such failures of clairvoyance, I believe it was the experience of the Air Force subsequently that that report did play a significant role in stimulating their thinking, in keeping them looking ahead and more or less roughly outlining the shape of things to come.

This is the job one has to do over and over again. I think the Government should call on the National Science Foundation and the Na-

tional Academy of Science for help in generating the long-range visions and plans. The subject is certainly one that the President's Advisory Committee ought to examine from time to time and one that ought to be in the background of much of their deliberations. It is indeed in the background of their deliberations in my experience. I do not think, however, the Advisory Committee can alone make a blueprint for the scientific future of this country. This has to be done by summoning all of our resources through the Academy and the Science Foundation. Blueprint is a poor word to use in that connection, of course. What we are trying to do is see what the opportunities might be in order to be able to capitalize on them.

You have asked about how we can do a better job of coordinating scientific and technical activities now scattered through many agencies. I have only a brief and not very helpful comment on that.

First of all, the fact that there are a bewildering variety of scientific and technical activities related to national security scattered through many agencies is a perfectly natural situation and one that is here to stay. It does not make any sense to gather all such activities into one department. We are going to have to continue to have alert coordination.

In critical cases, the President's Science Advisory Committee has helped and should stand ready to do so in the future. I do not think it can assume any routine responsibility for coordination nor do I think it should. It was, in fact, precisely the recognition of this need by the departments themselves and by the President's Science Advisory Committee that led to the recent formation of the Federal Council for Science and Technology, which is an instrument to do this task. I think it is too early to say how well it is working but the need was recognized and action was taken to do something about it. I think you have to keep improving your tools and strategy in this area every year.

Your third question relates directly to the President's Science Advisory Committee and asks whether it would be wise and desirable to give it some kind of statutory position. I believe the President's Science Advisory Committee on which I have worked for 3 years has been effective and useful and I would even say indispensable. I think its unique and important function will persist through any administration if only because of the very nature of the technical issues the Government is bound to face.

I, therefore, believe that statutory recognition of its role would be desirable. Its usefulness, of course, will always depend on the people in it and on the relationship the President chooses to establish with it.

The next question returns to a point upon which I have already commented, the problem of identifying technological opportunities for action. I am not satisfied that we do have a good way of doing this in all cases and, as I have said, I have no specific organizational remedy to propose. Broadly speaking, I think we need more flexibility, the ability to create a team which may have to be drawn from different agencies for one task, even from different institutions outside of Government and combined into a team.

What one can accomplish under those ground rules, I think, is astonishing, and you all know the cases where we have pulled together the big teams and what has been done.

I would like again to go back to very ancient history to cite one very small example in my own experience of this kind of problem. It is so small that it will not have any repercussions on present issues. I think it was in 1951 that a group was formed at MIT to work for the State Department and try to do something about the problem of the Voice of America, getting it through the Russian jamming.

We formed a small task force to work on this problem and I was in charge of the technical half of the operation. We beat our heads against the wall to figure out what we could do to get signals through. I am not sure that in the end we did very much to strengthen the Voice of America in signal strength. We did, however, as a by-product, run onto something else and it came about in the following way:

Some of the people who had been involved in radio wave propagation picked up an idea, suggested by someone, that you might be able to communicate over the horizon where radio waves would not ordinarily go, by taking advantage of natural irregularities in the high atmosphere. At the moment, this looked to us as one key point in the problem of the VOA, which had to get its program over to the continent in the first place in order to have it rebroadcast.

We thought we were justified in looking into the possibility. In the space of about, I should say, 24 or 36 hours by the use of the long-distance telephone, knowing scientists here and there, getting the right decisions here in Washington, we pulled together a small experimental operation which involved the National Bureau of Standards, the Navy Department, which loaned us a transmitter, the State Department, who was sponsoring the project, and scientists from other organizations. In a matter of weeks the experiment was on the air, and the signals came through.

Although it did not help the VOA as it turned out, it did lead the present system of communication on many long-distance circuits of critical military importance.

We were able to move fast in that particular case because there were no administrative or departmental barriers toward pulling a few knowledgeable people together to do a particular job that had to be done and there was wisdom shown all around in people that we talked to including the people in the Navy Department and the Department of State.

So, you can do it on an ad hoc basis, I have seen a number of examples of that. The real question is whether there is a more general solution than this ad hoc business, and here I frankly am not sure.

I do not wish to comment on the problem of coordination in the Department of Defense except to say that I believe the centralization of responsibility for broad technical decisions in the Office of Director of Research and Engineering was an exceedingly important and beneficial step. Whether further evolution of that structure is desirable and in what direction, I am simply not prepared to say from my own experience.

Finally, referring to your question about scientific manpower, I should like to comment on two quite different problems. First, in the top advisory committees, particularly the President's Advisory Committee as an example, one has to cover a broad range clear from pure science to engineering and on into industrial technology. It is

often hard to get the men the country ought to have in these posts in that last category—that is, engineers from industry. It is hard partly because of the fear of a conflict-of-interest situation. Possibly there is some legislative remedy for this particular handicap and I hope you will give some attention to it.

A second problem I will mention has to do with bringing the younger generations of scientists into the Government, of training a newer group of scientific advisers before the rest of us wear out or go stale. I cannot think of any legislative device to assist in this task. The President's Advisory Committee is acutely aware of it and is working in this direction.

Turning to the much broader question of scientists in Government, I think it is clear that we have to make a Government career more attractive for the research scientists. This is not merely a matter of compensation, but also—and most importantly—of freedom and support for long-term pursuit of distant research goals. Year-by-year design of scientific research by budgetary instruments hampers progress in basic science anywhere inside Government and out.

That is the end of my prepared statement.

Senator JACKSON. Thank you, Dr. Purcell. We appreciate the thoughtful time and effort that you have applied to the various questions that we sent to you.

First of all, to start toward the tail end of your statement, I wonder if I might ask a couple of additional questions in connection with the recruitment of scientific personnel.

Assuming that changes are made in the conflict-of-interest statute—which I hope will occur before long—still I must say that that remedy is a negative one. It merely moved certain barriers that were established years ago. I would like to turn to another part of the problem. Do you think it would be helpful if some kind of legislative authorization could be obtained which would authorize important departments of the Government to enter into contracts with universities, nonprofit corporations and private corporations for profit in which arrangements could be made to obtain key personnel in science, pure science, applied science, whatever might be necessary to obtain such people, for periods of time necessary to do important projects in Government in which the rights of the employee could be preserved, the interest of the Government could be properly protected and at the same time the interests of the university, the nonprofit corporation, and the private corporations likewise could be protected?

Dr. PURCELL. I think that might well be a useful step in some cases. There is this inbetween kind of service which this proposal, as I take it, would be pointed at; namely, that you can get people to come to Washington once a month or even once a week to give advice and to intimately learn a particular department's problems, but what we need is a way of getting people for longer, continuous service, and that is the thing I take it your proposal would be directed at.

Senator JACKSON. That is right. It would be a recognition of the fact that there are outstanding people in universities, in private companies, in nonprofit corporations that it would be impossible for the Government to employ on a career basis.

In other words, what I am suggesting is that if we are in a long-term period of challenge by the Sino-Soviet bloc that may involve 25

or 50 years, is it not the better part of wisdom to utilize and to marshal the best talent that we have in this country wherever we may find them on the projects that are indeed crucial and essential?

Dr. PURCELL. Yes. It seems to me the proposal has particular merit from the point of view of getting people in from industry.

In the case of people in universities, their sacrifice is largely a career sacrifice. It is a great deal to ask of a man to take 3 or 4 years out of his life when he is a productive scientist because science moves so fast you can go back and find you have no career left.

In the case of the industrial people, I think we have an enormous resource of capable people who cannot now be properly used in Government.

Senator JACKSON. I appreciate having your favorable comments on this, and I bring this out because the American public does not realize how handicapped we have been. As a matter of fact, if it had not been for the setting up of various nonprofit corporations and the utilization of our universities and the utilization of industry, we would not have been able to do the job in many critical areas.

Take one outstanding area, our whole atomic energy program. The great industrial corporations run our large production facilities both in the production of U-235 and plutonium. We call upon the University of California to operate two important laboratories, one at Los Alamos and one at Livermore. We pay these people salaries that we could not pay in the Government. In other words, we have had to indulge in certain devices, fictional devices, to get around statutory compensation situations. If it had not been for this kind of improvising, we would be in serious trouble, would we not?

Dr. PURCELL. I think so, very definitely.

Senator JACKSON. What I am suggesting is that we also recognize this as a fact but also recognize that we are in a long-term struggle with the Soviets, and if our free society with all of the advantages that go with free institutions must be utilized to the maximum, we certainly should not say that we are not going to make the effort because there are limitations in the procurement and the retainment of key people.

I might point out, too, that we have, Dr. Purcell, a situation now in which we are able to employ, through this circuitous device that I have just referred to, men of great talent. They make recommendations to people in Government who do not have the talent resources to pass on those recommendations. Is this not generally a fact?

Dr. PURCELL. Yes; this is a very real problem.

Senator JACKSON. I am not deprecating the fine career people we do have in Government, but I think it is generally recognized that we have to delegate a lot of the decisionmaking to these laboratories. We have to delegate them to various industrial sources because we do not have the resources within Government itself to make those decisions.

I was particularly pleased, too, with your favorable comment on the suggestion made in connection with the possible statutory recognition of the President's Advisory Committee. I agree with you that they have done an outstanding job and I think it would be a mistake if the new President failed to utilize this very helpful tool after January 20, 1961.

I take it from your testimony, Dr. Purcell, that you would like for the committee to continue in advisory capacity only. You do not want to put it into the operating business?

Dr. PURCELL. I do not think it should be in the operating business. I think as soon as it gets into the operating business, you will need another advisory committee.

Senator MUSKIE. May I add my appreciation to that of the chairman for your willingness to come and discuss this with us.

If I may review some of the statements you made, again for clarifying my own thinking, you are quite optimistic about the possibilities of science in the solution of social and other problems of our society and the contribution of science.

Dr. PURCELL. My feeling is there are important problems to which science can make a big contribution. This is not to say that there are not some other problems that have to be solved in other ways but let me give an example or two of what we can see as we look ahead. It seems to me pretty obvious that we have in this country a growing serious problem in public transportation which threatens the whole structure of our urban society. Well, what do you do about it? We are certainly going to have to do something about it within the next 20 years. Although we do not know the solution, I think it is clear that the solution will probably come along the technological route. For example, I think we will have to have a new type of portable energy source to solve this problem. At least it would offer one solution. If this is true, then one should be working long-range very hard on this particular problem which we are not, to my knowledge, doing at the present time because it is not seen as an immediate, acute problem. My own view is that we really do not take science and technology seriously enough as a means to cope with the problems that are upon us.

Senator MUSKIE. The objective of this committee is to insure that we do take science seriously. I gather from the whole tone of your testimony that you are skeptical about organizational answers to this problem, particularly governmental organizations?

Dr. PURCELL. To use a phrase that we use in science, they are necessary but not sufficient in most cases, in my opinion. I think organizational changes are very important. I think a wider understanding of the nature of the problem both inside and outside Government is at least as important. I think you have to approach some of these things task by task. When you have pulled off a very spectacular and splendid achievement, I think one should not be ashamed of that because it was done out of context and in a special way. Well, you have done it and you will do the next one the same way. The problem is to recognize the opportunity and get on with the job.

Senator MUSKIE. The very task of identifying the tasks is a difficult one.

Dr. PURCELL. Yes; but I think that is not quite as difficult as getting on with it. The task of sorting out wild ideas from ones that only look wild but aren't is a very difficult one, but in the end the hardest thing to do is get on with the job.

Senator MUSKIE. There is no organizational difficulty, in your opinion, in identifying the task?

Dr. PURCELL. Frankly, I do not know of any. We just have to keep on our toes all the way around.

Senator MUSKIE. We are just sort of disorganized rather than unorganized.

Dr. PURCELL. One has to be alert and this is one of the important things that a committee from the outside can look to so they can see the woods and not the trees. This is a function that advisory committees have performed and ideally should perform.

Senator MUSKIE. With no additional organization on a governmental level, at least in the scientific field, do you feel that in a free society that you just by the very nature of things get answers to pressing current problems?

Dr. PURCELL. No; I do not. You have to go after the answers.

Senator MUSKIE. There has to be some direction but you are reluctant to turn to centralized direction.

Dr. PURCELL. I am reluctant to put what I see as a problem of many facets with many different sides and calling for many different people, to try to put that all into one table of organization somehow, as you might do if you said let there be a department of science and all applications of science come under its purview.

I think this would be the wrong thing to do because of the variety of the tasks that we have to do. We have the life sciences which is a thing I have not spoken about because I am utterly incompetent in that area. There, science is applied to human welfare, but still there is overlapping because it is basic science with chemistry, biochemistry, and so on. I don't think there is any neat central structure which will by itself guarantee that we do not misunderstand in this enormously wide spectrum.

Senator MUSKIE. You agree, nevertheless, that in some way we ought to be assured this essential scientific research and applied science will be done?

Dr. PURCELL. Yes.

Senator MUSKIE. Do you think our present efforts could stand some improvement?

Dr. PURCELL. Absolutely. Even if they were perfect now, which they are not, the problem keeps changing. For example, one of the jobs that the Federal Council might do—and it was one of the elements in the conception of that thing—they could look ahead so far as the Government departments were concerned several years and see what their needs for basic research were, the basic research which was relevant to their particular mission—the Department of Agriculture, the Department of Health, Education, and Welfare, the Department of the Interior, and so on. Whether that will work depends on the people involved and the freedom they have to think, the time they have to think in fact, whether they do have enough time to think about it, but that is one mechanism and we will probably have to invent more, and we certainly have an overriding need to make sure that we do not miss any important avenues here.

Senator MUSKIE. Thank you, Dr. Purcell.

Senator JACKSON. I just have the feeling, Dr. Purcell, as a layman, that with virtually all the departments of government being in research and development in one way or another that there is a substantial amount of compartmentalization. They almost operate in water-

tight compartments. It would seem to me we could make better use of our scientific resources within the Federal structure if there were some independent means of really knowing what is going on and to make sure that there is exchange of information. I know I have had it called to my attention on several occasions, especially where there is rivalry within the three services that information is withheld from the other service because it might have an adverse effect on their particular role or mission. I am just wondering if there is not some better way of getting at this structure. I have no way of knowing because I have not looked into it on a great scale. They are working counter to the kind of environment that a good scientist should operate in, with compartmentalization and avoidance of exchange of information which is so essential to the attainment of answers to critical problems.

In addition, I take it that it happens from time to time—you gave one illustration—you can be starting off on a certain objective and you may find an answer to a problem that you have no idea you would be able to solve. Is this a fair observation?

Dr. PURCELL. Yes. One thing that helps greatly is combined task operation. If you have to draw people in from different departments to work on a given task, that automatically catalyzes the exchange of information where it counts; namely, where the people are working together. Incidentally, I do not think isolation is always to be regarded with suspicion in matters like this. Science is a very demanding business and it takes your whole attention. The fact that there is a scientist in the room down the corridor working on a problem and not really knowing what the fellow at the other end of the corridor is doing is not necessarily bad.

Senator JACKSON. If you have an enormous laboratory in which the output from the laboratory——

Dr. PURCELL. That is the other extreme. There should certainly be no impediment to the flow of information where it is needed, but you can sort of coordinate people to death who are doing basic research. If a fellow has an idea, you may have to leave him alone for a while. You don't go around asking him "Have you read all of the literature on this and do you know what other people are doing on this?"

But we do have a continuing problem which is certainly going to get more serious. We just have to keep working on it.

Senator JACKSON. The President's Scientific Advisory Committee, I know, has been helpful in making surveys.

Dr. PURCELL. It is an enormous task. If you try to inform yourself about the scientific work in any of the departments, especially those with the vigorous programs, it is a big job.

Senator JACKSON. You run into the problem of the independence of the departments, do you not?

Dr. PURCELL. Yes.

Senator JACKSON. If anything is going to be done, it would seem to me it would have to be done at the top level, at the presidential level.

Dr. PURCELL. It has to be done by a nonoperating department. As soon as you have an operating department then it has a different relationship to the others.

Senator JACKSON. Do you have any comments about the role of science in the State Department, the importance of it, and anything that can be done to improve it?

Dr. PURCELL. I think they have a growing, important need for high level advice.

Senator MUSKIE. Putting a scientist into organizational structures is like putting blinders on a horse; would you say that?

Dr. PURCELL. It all depends on the man.

Mr. PENDLETON. Do you feel that the operation and planning in government science has been affected measurably by the establishment of the President's Advisory Committee, the Federal Council, and the recent informal arrangement in the Department of Defense for coordination between the scientific Assistant Secretaries by Dr. York?

Dr. PURCELL. My answer to that is "Yes." I have not yet seen much of the Federal Council's work because I have not been involved in that.

Mr. PENDLETON. Do you feel that the scientific community would want the Federal Government to set forth a 10- or 15-year plan for science and technology, or rather would the scientists prefer future flexibility to exploit breakthroughs as they occur?

Dr. PURCELL. I think any very specific, rigid plan would strike the scientific community as pretty absurd and it would not be worth much anyway. I do think the scientific community would respond enthusiastically to the notion that one should keep in mind the possibilities of science in relation to the public needs and keep flexible and maneuverable so you can take advantage of the opportunities as they arise.

Mr. PENDLETON. Thank you, Dr. Purcell, and thank you, Mr. Chairman.

Senator JACKSON. Thank you, Dr. Purcell. We are grateful to you for your contribution here this morning.

This afternoon we will resume and conclude this phase of our hearings on science and technology when we hear from Dr. Herbert F. York, Director of Defense Research and Engineering, at 2 p.m.

The subcommittee is now recessed until 2 o'clock this afternoon.

(Whereupon, at 12:30 p.m. the committee was recessed, to reconvene at 2 p.m. the same day.)

AFTERNOON SESSION

Senator JACKSON. The committee will come to order.

We are very pleased to resume this afternoon with Dr. Herbert F. York, Director of Defense Research and Engineering. Dr. York received his Ph. D. from the University of California; served as a physicist at California Radiation Laboratory; Director of the Livermore Laboratory; on the faculty, Physics Department, University of California; and immediately prior to his present assignment was chief scientists for the Advanced Research Project Agency, better known as ARPA.

He has served on the Air Force Science Advisory Board, Army Science Advisory Panel, and the President's Science Advisory Committee. He is a noted scientist and administrator; we are very pleased to hear from you this afternoon, Dr. York.

Suppose you start out in your own way and then we will ask some questions. You have, I believe, a brief opening statement that you wish to make.

STATEMENT OF DR. HERBERT F. YORK, DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING

Dr. YORK. Mr. Chairman, I don't have any opening statement except to say that recognizing the importance of the subject of these hearings I am pleased to be here and answer any questions that you may wish to put to me.

Senator JACKSON. All right, sir. Suppose we start out first by referring to a process that has been with us for a long time and it has been one I think of some trouble to administrators in the Government of all administration, the budget process.

I wonder if you have any comment as it affects your field as it works at the present time, if you have any suggestions for improvement, particularly in reference to your operation.

Dr. YORK. That is a very big subject and, of course, a very important one. I mean the budgeting of available resources in the end is one of the major factors that determines what it is we are going to do. Additionally, of course, the other kinds of resources, such as resources of people, particularly good people, also have major influence. The competition between the various kinds of things within the Department of Defense that money has to go for is something that has to be very seriously considered and takes a very large part of our attention.

Budget problems in the broadest sense take probably the largest single part of our time of all the things we have deal with. As for improvements, I don't have any really worthwhile suggestions, I am afraid. I have been in my present job and with the Government about long enough to know what some of the problems are, but not really quite long enough to have thought of all the answers as to how to take care of them.

One suggestion that is frequently made, and one which does appeal to me, is the idea of a longer budget cycle than the present 1-year budget cycle. Even this has its pitfalls. It is the fact of the 1-year budget cycle that forces people to make decisions and make reconsiderations of things that might be put off if there were no requirement for a 1-year budget cycle.

Putting both of these factors together, though, I think that we would be helped by a longer budget cycle than the one we have.

Senator JACKSON. May I read this comment to you from page 37 of our hearings on which Mr. Lovett in testifying before the committee addressed some comments to the subject of the budget:

Mr. LOVETT. Mr. Chairman, I think there are two fields that I feel reasonably confident in expressing an opinion about. The first of those is that I think that the 1-year budget system is inadequate in many cases and in a sense is detrimental to both the congressional and executive branches in their attempt to make a policy effective.

I think that in any experimental development program involving research and the awkward period during translation of research into an actual item, funding it for 1 year is unrealistic. I think we need to have something longer in order not to have to reset sights and suffer the vacillation which ensues.

One of the most painful things that an executive goes through in the Government departments is the change of program while you are right in the middle

of it. You lose momentum and you delay the output. So I would say we need some form of budgeting for certainly half of the period of gestation of any new weapon, which used to be in the order of 5, 6, or 7 years—about 5 years to take the low side.

That would mean, say, 2 to 3 years of funding for some approved experimental research and development purpose. That would be the first area.

Do you feel there might be some merit in giving consideration to this approach that Mr. Lovett suggested, which of course, as you know, stems from rather long experience?

Dr. YORK. Much longer than mine.

Senator JACKSON. I realize that, but you have had the advantage too of being a distinguished scientist and you ran a large laboratory at Livermore very efficiently, very effectively, and made great contributions.

Dr. YORK. From the point of view of running a program at almost any level the annual budget cycle is, to say the least, a considerable nuisance. There are uncertainties about what next year is going to be. I might say, though, that in any good program the people who are in charge know that this is not a total uncertainty. I mean if you were to ask anybody who is running any of our programs whether he expects to get money next year he would always say yes. However, there is a certain amount of uncertainty with regard to just how much and what it is you are going to be able to do.

The other factor is that it takes such a very large portion of everyone's time. Trying to make things work out, trying to make things total up as they should, is something that takes a very large part of every administrator's time at every level, and it is one of the many things that forces recurrent reviews of programs.

As I said earlier, this reviewing programs is something that has to be done; and on the other side of the coin, and something that one would have to take a close look at, is the fact that as a practical matter the people in charge, if required to produce a budget only every 5 years, might not do such a good job of reviewing things as really needs to be done. Also, there are changes necessary as one goes along.

There are certainly new ideas that come up and the funds for some of these new ideas, of course, can be new funds. But, in a great many cases, because the economy is finite, it is necessary to find funds for new ideas by eliminating projects which for one reason or another are not as valuable as they were thought to be when they were started; that is, projects that events have bypassed, projects in which difficulties have been encountered, and so on. It is very important to review these new ideas. One of the stimuli for reviewing them is to find the funds from those projects to fund the new ideas that do come along. A great many new ideas would come along, say, in a 5-year period. If you had the right people doing these reviews at all levels, that wouldn't be a problem. The budget cycle does contribute to forcing people to make reviews which otherwise they might be willing to bypass in order to take the easy way out.

On the whole I think it is a good idea to fund things over longer periods than 1 year. Even so I just point out that there are some problems on the other side here. In some cases, as in the case of small basic research projects, it is possible today to arrange for longevity funding. It is not the rule, even in small projects, and it applies

at the present time only to small projects. It would be desirable to expand use of longevity funding very considerably.

Senator JACKSON. I am sure that there are some desirable features such as you have mentioned of keeping an eye on the expenditure of funds, but I just wondered if there was any particular magic in the 12-month calendar. We have had some very difficult undertakings. I am referring to, of course, some of these crucial R. & D. projects where under our system there have been ups and downs. Mr. Lovett had that problem in a previous administration. Then, too, there has been the comment, and you touched on the fringes of it, of the time that is involved in the budget process.

Officers who are involved in important work I would hope would be able to have more time available to spend on the crucial things instead of wrestling with the budget they are living under, the budget that they are justifying currently for the next fiscal year, and then preparing for the one after that.

Dr. Perkins alluded to that the other day, the three budgets that you are wrestling with. On top of that you have this funding process, having gone through all of the mechanisms that one must go through to obtain budget approval for presentation to Congress, and then when you get it from the Congress you have to go back somewhat the same route again, do you not?

Dr. YORK. Yes. It is not done when the appropriation bill is passed, that's right. The budgeting job is not done when the appropriation bill is passed.

Senator JACKSON. It is a never-ending process almost.

Dr. YORK. Yes.

Senator JACKSON. What this committee is desirous of doing, Dr. York, is to see if there are areas where we can make this procedure less cumbersome and yet have some physical safeguards.

It was in that connection that I was interested in having any comments that you might wish to make regarding improvements in the process.

Dr. YORK. My basic comment is that it would be helpful to be able to lengthen the cycle, but that in doing so one is going to have to be cautious that people don't use this as an excuse or means for avoiding difficult decisions that otherwise they are forced to make.

Senator JACKSON. Yes. Let me ask you one other question that I run across, at least in connection with my work in the Joint Committee on Atomic Energy, to be specific. Do you feel that the Bureau of the Budget has sufficient technical staff to really evaluate projects that are of a technical nature, especially in the research and development field?

Dr. YORK. I think it is probably better that the Bureau of the Budget not have a technical staff as such but to rely on technical people within the departments to come up with the answers for that department and, if necessary, the White House's own group, the President's Science Advisory Committee. The Bureau of the Budget has a role in reviewing projects to determine whether they are correct from the point of view of certain legal, administrative, and organizational considerations; and whether they overlap or duplicate important things which are going on in other departments and therefore which should be pulled together at a still higher level; and in

assisting the President to come to his necessary conclusions with regard to the overall budget. But I don't believe that technical decisions should be made in the Bureau of the Budget, and if they had much of a technical capability that would encourage them to do so.

Senator JACKSON. If they had a lot of technical capability you could utilize some of the top ones, couldn't you?

Dr. YORK. You could indeed. We can always use some more.

Senator JACKSON. I certainly agree with your statement. I don't see why the Bureau of the Budget should get into duplication of technical effort and I think your analysis is a sound one. We have had this problem a couple of time in the Joint Committee on Atomic Energy, where decisions have been made supposedly on technical points in the Bureau of the Budget, and I say this is a problem that has existed as far as the Bureau of the Budget is concerned under all administrations.

Dr. YORK. Yes. I think all technical people in all types of organizations always have their problems with the comptrollers and budget directors of those organizations, whether it is the U.S. Government or whether it is the John Doe Laboratory, Inc. I do have my occasional problems and disputes with the Bureau of the Budget, but it is not my experience that they do make very many technical decisions. They do make decisions that relate to technical problems, but these are usually because they have found some fiscal or legal reason related to some law or some Executive order, as the case may be, that makes the particular procedure that people want to apply improper.

It is all very well to complain about the kind of review the Bureau of the Budget sometimes makes, and I complain about it myself; but, the record is that very frequently they do discover important errors and mistakes in what has been put to them. The way to correct any situations where they may be overexercising their authority or looking into detail is for the level that produces the detail to turn out work in which there is no major error for the Bureau of the Budget to find.

Senator JACKSON. What you are saying is that they shouldn't make technical policy decisions; they should administer a program set down by the President which he has agreed should be carried out and within that framework it is their job to see that it is carried out?

Dr. YORK. That is right.

Senator JACKSON. But the technical decisions regarding a certain project should be left to the departments that are technically competent to make that decision?

Dr. YORK. They shouldn't make them, I think. Perhaps they do on occasion, but much less often than some people would indicate.

Senator JACKSON. You mentioned people here and I wonder if you have any comments, Dr. York, about the problem of, first, recruitment of good people, people of technical competence and people with broad experience, for important assignments in Government. This has been a never-ending problem all down through the years and I wonder if you might have a suggestion.

Dr. YORK. Yes, and it still is. It is a problem that I have had to face personally in the last year and a half. We need good people and we need them at all levels, and there is a problem in getting them also at all levels. Actually, I think in some ways there is less of a problem

at the top levels in the Office of the Secretary of Defense than there is at some of the lower positions. We need a variety of people. They all need to be good, but there is more to it than just saying you need good people. You need people who have the necessary experience to do the job and there are subdivisions to what one means by the necessary experience.

You need people who are experienced in Government procedures, and you also need people who are experienced in actually carrying out big projects, and you need people who have experience and training in technical details also. What you need are people of all these types.

Senator JACKSON. First, would you also comment in that connection about getting people for fairly long periods of time in some instances, and others for shorter periods? This becomes a problem.

Dr. YORK. That involves part of what I had said earlier, that one needs experience with regard to how the Government works and one also needs experience in actually directing large projects from positions fairly close to the work itself. In order to have experience of the first types, one has to be a permanent, or essentially a permanent, employee of the Government, so it is necessary for offices like mine to have a considerable part of the staff, including an important segment of the top staff, composed of permanent Government civil service, and to have these men in turn have the other qualities desirable, namely, technical knowledge in some detail and be generally good men. In addition it is necessary to have a certain number of people of the second type who are experienced, who have had relatively recent experience in the field.

This experience could be obtained in working for a Government laboratory, or it could be someone with an industrial background who has had recent experience in actually executing large and advanced projects. When you first get them they naturally come without any experience in broad governmental matters. It would be desirable if somehow you could get a man who had just been working in a large project, but at the same time he had had a good experience in the Government in the past.

Normally, you can't do that. It means that what you have to do is get people to come with fresh outside experience and hope that then they will stay long enough so that they can also build up personal knowledge and experience with regard to how to do things within the Government. Rapid turnover is one of the most serious problems I think we have.

Again this applies largely to the very top levels, the Presidential appointment levels. The average length of time a person holds his job, and this is not a new problem, is not really long enough to develop expertise at doing what needs to be done.

Senator JACKSON. As you know, the House Judiciary Committee has held hearings—I don't know what testimony actually they have taken—in connection with amendments to the conflict-of-interest statutes. I personally felt this is long overdue. It represents, however, the removal of certain negative barriers. I wonder if you feel this isn't a useful move: to update the statutes that I think were first passed almost 100 years ago.

Dr. YORK. In my own experience at recruiting, the problem of conflict of interest, or potential conflict of interest, or even possible appearance of conflict of interest without any reality behind it, is one of the most serious problems I have had to face in connection with getting people. A very large number are not available or cannot be brought in because of these problems.

In Defense Research and Engineering most of the work on big projects is being done, as we all know, by industrial groups.

Senator JACKSON. We have to contract a lot of it.

Dr. YORK. A great majority of our big development programs have been contracted out and therefore a very large percentage of the ablest project engineer and project manager type people in the United States are in the industries that are doing defense work.

Senator JACKSON. Don't you feel that the Federal Government at least should not be denied talent which it cannot now get because of problems in connection with the conflict-of-interest statutes because of the various personal reasons that exist in connection with the career that a given individual may have developed in which he has certain proprietary rights, including stock options, and pension rights, and a long list of rights that he would forfeit right in the prime of his career if he goes to work for the Government?

Dr. YORK. My answer is "Yes."

Senator JACKSON. Then I want to put the next question to you. I have a list of general informal suggestions I have tried out on a few witnesses, and one is that Congress should enact appropriate legislation and should make it possible for the appropriate departments of Government to contract with universities, nonprofit corporations, and private corporations for profit to work out by contract, an employment arrangement whereby some of these top people could work for the Government and at the same time those rights that I just referred to would be preserved.

The public interest would be protected and at the same time these companies, colleges, and nonprofit corporations would be saved embarrassment from allegations of conflict of interest and all sorts of unfavorable publicity that can come, as a result of sometimes even vague provisions in a statute. This is merely a rough idea.

Dr. YORK. I am not quite sure what you mean, Mr. Chairman, but we do quite a bit of contracting with largely nonprofit institutions.

Senator JACKSON. No; I am talking about contracting for the employment of people from those institutions to work directly in the Government.

Dr. YORK. To work directly in the Government?

Senator JACKSON. Yes; not to give them a contract such as we have now with universities or with various corporations.

Dr. YORK. No; I didn't mean those groups. I meant groups such as RAND, such as the idea groups, and others who do operations analysis type work, weapon systems evaluation work, which does lead and aid almost directly in determining what it is that we should be doing in the way of further research and development.

Senator JACKSON. Dr. York, I am not suggesting we do away with those groups. What I am suggesting is that we are doing indirectly now what we can't do directly. In other words, if we want to get a job done we can't pay the salaries and we can't get the good people

that we need on a given project. Therefore we make a contract with a nonprofit corporation or with some industrial group to do a given job.

It would appear to me that we need to have at least some of these people in the Federal Government from time to time that we can't get because they are not about to give up a job which gives them certain vested rights, which in many instances, in order to comply with existing law, they have to forfeit. We run into this constantly.

Dr. YORK. Indeed we do.

Senator JACKSON. I am wondering whether or not we shouldn't recognize the fact that we are in a long-range struggle with the Sino-Soviet bloc, and in order to compete, and Mr. Khrushchev says it is peaceful competition that he wants, with this kind of competitor it would seem to me that the Federal Government should have the opportunity from time to time to have available to it the finest talent that it can obtain.

We are competing in so many critical fields where I just don't see how the Federal Government can do the job unless it can have available to it people who have the competency, regardless of what field they may be in, to do the job that the Federal Government must do. In other words, we concede that we have to do part of this and we are doing it now by various contractual arrangements.

Those institutions, organizations, entities, call them what you may, make recommendations, we will say, to your department in certain instances. You need to have competent people to pass on those recommendations.

Dr. YORK. If I understand you correctly, you are talking about much in the nature of what we are already doing in places like RAND, WSEG, Spake Technology Laboratory, and so on, brought one step closer to actual decisionmaking process.

Senator JACKSON. That is right.

Dr. YORK. Yes; it would be better if some way could be found.

Senator JACKSON. I am merely suggesting that we get some of these people directly. We are doing it indirectly now by setting up nonprofit organizations. The Air Force started this I think quite some time ago with RAND. I think that was one of the first, back in 1945 or 1946. That job couldn't have been done within the framework of the Government.

Therefore, it does seem to me that we have had a long enough experience in this area that we could certainly afford to give to the Federal Government, not on an unlimited basis, but in the critical positions at the top, or in other positions that are not exactly the top, and yet are important, the kind of people that can really pass on some of these recommendations that must be made.

Otherwise for all practical purposes, especially in the technical areas, I would think, these contractors are making the decision and not the Government.

Dr. YORK. I might comment on that. There is a small step in that direction which we do find very useful. There is a statutory provision which enables the Department of Defense to have on its staff up to 10 people on a without-compensation basis. That means these people are paid by their parent companies. I am not adept at giving the precise legal language, but what it amounts to is that these people are

then by the statute, exempt from some of the usual conflict-of-interest laws, except insofar as the very company that they are being paid by is concerned. There are some further requirements, such as that they have to be employed by the company which continues their salary while they are in the Government.

They can't be suddenly employed by some one for the purpose of then paying them and sending them to work in the Department of Defense. We have made some use of this provision. As far as I know we have never had all 10 positions filled or being used, but even there there is always sufficient concern in the minds of many people that despite the fact that this is a perfectly legal procedure, somehow or other it won't look good to someone and that it is something to be used only in the most extreme and obvious cases.

However, that is perhaps a step in the direction you are speaking of and it has been a useful one, but it apparently requires more than that there just be a statute. It requires that somehow or other there be a general acceptance of the idea that this is basically good and necessary. The present statute doesn't even have quite that.

Senator JACKSON. I am familiar with that provision, but I do think to be completely fair about it that it may well leave the employee and his company in an uncertain state in case some one wants to, shall we say, take after them in public print and make all sorts of accusations that could be very unfair.

Dr. YORK. That is the problem, yes. It is used very charily even though it is there and available.

Senator JACKSON. Dr. York, let me ask you this. As you know, the week after next we are going to get into this question more in detail and I wonder if you would look with favor on an exploration of this area to see if a more suitable means by appropriate statutory legislation could be obtained to deal with this area, if you think it is of importance.

Dr. YORK. I look favorably upon an investigation into any means of making it easier to get more good men into Government positions.

Senator JACKSON. Don't you think this is one approach? I am not asking you to commit yourself to definitive terms.

Dr. YORK. I think it may very well be one good approach.

Senator JACKSON. And you couldn't very well get by with 10 slots in all of the Federal Government to carry out this kind of mission.

Dr. YORK. That is not very many.

Senator JACKSON. Not when you are dealing with a number of critical projects. Turning to your area again, if I may, we have provided by statute for an Assistant Secretary for Research and Development for the Navy and for the Air Force, but there is no such provision for the Army.

Dr. YORK. Correct me if I am wrong. I believe the statute provides for three assistant secretaries and left it to the service to decide what they should be assistant secretary for.

Senator JACKSON. I believe you are right on that. I revise my question.

Dr. YORK. And the Navy and the Air Force have chosen to use one of these slots in each case for an Assistant Secretary for Research and Development.

Senator JACKSON. Let me state it this way: We do not now have an Assistant Secretary for Research and Development in the Department of the Army.

Dr. YORK. That is right.

Senator JACKSON. Do you feel it would be useful to have such a position based on your experience.

Dr. YORK. It certainly has been a good thing in the Navy and the Air Force. Furthermore, the Department of Defense has had the position of that type for quite sometime. I think it has been a good thing there. I can't imagine any reason why it wouldn't be a good thing in the Army.

Senator JACKSON. I know two of the scientist engineers that you selected, for the Navy, Dr. Wakelin, and in the Air Force, Dr. Perkins are outstanding men. I just know of Dr. Morse, who is I believe chief scientist for the Army.

Dr. YORK. He is called Director of Research and Development.

Senator JACKSON. For the Army.

Dr. YORK. Yes, for the Army. It is a job at a level lower than that of Assistant Secretary. He has very much less authority than either Dr. Wakelin or Dr. Perkins. I am sure he could do his job more effectively if he had more.

Senator JACKSON. I want to compliment you on the caliber of men that are now in the department in research and development, I think they are first rate.

Now, if I might turn to one other area, how important do you think it is to have close coordination between your department, where critical R. & D. projects are being developed, and the State Department.

Dr. YORK. I think that coordination between these two is very important.

Senator JACKSON. In other words, in this modern day of weapons systems one has to treat the entire challenge as one overall problem in trying to evaluate the action that you must take in the development of a given project, is that not correct?

Dr. YORK. Yes. What is done in the Department of Defense has a very great bearing on the international position of the United States, which is the Department of State's responsibility.

Senator JACKSON. That is right and prestige is a very important factor in all of this.

Dr. YORK. Prestige is important. Appearances and realities, both separately and together, are important.

Senator JACKSON. Do you think it would be helpful if more people in the Department of State could be not necessarily trained, but maybe better informed on the long-range direction of our R. & D. efforts affecting vital weapons systems?

Dr. YORK. I think it probably would be better if more people are better informed.

Senator JACKSON. I am not trying to single them out. I am trying to be self-critical. I think this same suggestion might apply to Members of Congress, too, but I was just bringing up this point of trying to see if we can't do a better job in making our foreign policy in a way that will carefully consider various things that could have an impact and a very important impact in our standing among the family of nations.

Dr. YORK. There is no question but what a great deal of what is done in defense in general, and in research and engineering in particular, has an international impact, a world impact.

Senator JACKSON. Not only on our potential foes, but it may have an impact on our allies if they are not properly informed.

Dr. YORK. And on their degree of confidence in us.

Senator JACKSON. Do you have any specific comments as to what might be done in this area to make for better improvement? How would it be, for example, if someone were assigned from the State Department to your department and vice versa?

Dr. YORK. I don't know what good it would do to actually assign someone there.

Senator JACKSON. For periods of time.

Dr. YORK. Except if they were assigned for a period of time in order to familiarize themselves with what was going on, with the idea that they were then going back to State. This could be a useful procedure. If they are simply transferred there could even be some value in that. Having them come over for purposes of becoming familiar for a period might be a useful thing.

Senator JACKSON. This is one area where we certainly could do something more than probably what we have been doing in the past and I say this goes way back, not just to the present situation, but many years back, with science since the advent of the atomic bomb playing such a very vital and important role in diplomacy.

Now, just two other questions: What is your attitude toward a Department of Science?

Dr. YORK. I have heard quite a bit of discussion about it and without forming too concrete an opinion on the total question. There are some subparts to the question, though, that I feel definite about. One is that activities such as those in the Department of Defense, and those of any other department which relate to the mission of that department belong in that department and should be related to the rest of that department's programs. The research and development programs should be considered with the other programs both with regard to objectives and also with regard to allocation of the resources available. The budget problem should go there and be pulled together with other aspects of the department's problem.

In other words, practically all of those things which the Department of Defense is now doing should remain in the Department of Defense whether a Department of Science was formed or not, and I feel certain, without knowing all the details, that one could make the same remarks for the Atomic Energy Commission, for the Department of Agriculture, and for others.

Senator JACKSON. Wouldn't it be pretty hard to pull it all together and put it in one place? Do you think there might be a conflict between departments if you attempted to have one Cabinet office that was in complete charge of science?

Dr. YORK. I think it is important to have science and technology represented at Cabinet level and National Security Council level, but that is a different thing from saying you should make a Department of Science.

When people in the Government talk about science and technology, they are not talking just about basic science, but about development,

engineering, and so on. It is something much broader than just basic science. Actually a large fraction of the support of basic science is now done in a separate agency, namely, the National Science Foundation, and it works very well. But when most Government people talk about science, and I believe that is what people are talking about when they refer to a Department of Science, they are talking about what scientists themselves call something else, namely, technology and development.

If what you mean by a Department of Science is a department which would take everything that is now being done in the field of science out of the agencies where it is now being done and put it into such a department, I think that a Department of Science would have two drawbacks. One drawback, then, is, as I mentioned before, development and applied science, that belongs closely associated with whatever it is being done for. I mean if it is being done for defense purposes it belongs closely associated with the rest of all the defense activities.

The other drawback is that it is probably good in some ways to have a certain amount of diffuse authority. A single authority would be more likely to make very large and significant errors by throwing out whole fields because whoever happened to be in charge at the moment thought they weren't good ideas or worth pursuing.

Senator JACKSON. Dr. York, I am not an advocate of a Department of Science. The proposal reminds me of trying to establish a Department of Economics in the Government. Economics is involved in every department of the Government, but you can't pull it out and put it all in one place. I know you have made a very careful distinction in your comment. It is one thing to talk about putting it all into a Department of Science and Technology and something else to provide support such as the National Science Foundation does, in my judgment, for the improvement of science in all the departments of Government. I believe that is the mission of the Science Foundation, among other things, not just in Government, but throughout our country.

Dr. YORK. Yes; to improve the state of science in the country.

Senator JACKSON. This is right; and we all want to do that, but what has concerned me is, like so much in life, there are people who want to come in with some kind of proposal to set up a committee or department that is going to solve a major problem. It would be like setting up a department to end the cold war. I don't think it is quite that simple and I just wondered whether this really will work. Our previous witnesses have all indicated their opposition to it.

Dr. YORK. On the other hand, having a voice for science and technology, such as a Secretary of such a department would have, is a good thing. Some means can be found other than giving them an operating department with all possible science included in it.

Senator JACKSON. The President's Science Advisory Committee does help in part in advising the President on various things that should be done, I believe.

Dr. YORK. Yes. Dr. Kistiakowsky has an effective voice in the President's Office.

Senator JACKSON. While we are on the subject of the President's Science Advisory Committee, I have always felt that they have done

a good job. They have very carefully maintained it as an advisory organization as distinguished from an operative organization. I wonder what you might think of giving some statutory recognition to the President's Science Advisory Committee so that this concept will be preserved when the new President takes over in January.

Dr. YORK. If I might, I might make a couple of remarks and then return the question back. I do think that it is an important concept and that it is important to continue it. Right now the President's Science Advisory Committee is an excellent committee in terms of its membership and it is a very hard-working committee. Per member, they put in more time, more man-days per year, than any other committee I am familiar with, and they are listened to by the other members of the President's immediate office and their counsel carries weight in decisions made by the President and the President's immediate office.

They have done a good job and the important thing is to make sure that their present stature, to use that word to cover all what I said, be maintained. Now, if making them a statutory committee would contribute toward that, then I am in favor of making them statutory. Right now they do have high stature. A few years ago they didn't. Anything that can be done in insure continuation of the present quality and the present influence of the committee is a good thing in my view. If making it statutory helps on those two points, that's good.

Senator JACKSON. So that as long as those objectives are carried out you do not find objection to it?

Dr. YORK. The reason I just can't answer the question is that my total experience in the Government has been during the period in which the committee has had a high degree of influence without being statutory.

Senator JACKSON. I just want to say if provision is made for statutory recognition of this committee, and it has done a good job, I think it is very important that the President have absolute control to use it as he sees fit in a purely advisory capacity and without any requirement of confirmation of the members by the Senate.

In other words, I think it shouldn't be used as a device to interfere with his constitutional power to make his own decision, and my only concern is that there might be a danger of this organization that has worked so well falling apart with any change of administration.

Dr. YORK. I would also say that the executive privilege which they now enjoy should be continued too. I believe it adds to their effectiveness and aids them in accomplishing their job.

Senator JACKSON. I would agree with you on that and I think very clearly this is a matter of the Constitution conferring on the President that right, so that anything Congress might do could not affect it. I don't think Congress should attempt to require confirmation of such members.

We have just referred to a very fine Committee, the President's Science Advisory Committee, but I wondered if you had any comments about the committee system as such. We have looked through this long list of committees that are in the Department of Defense.

I am not asking you to comment on committees that are way outside of your area, but I have been a bit concerned about the existence of

some 900 unclassified committees and subcommittees within the Department of Defense alone. Some of them obviously are no longer needed, but they are there.

Dr. YORK. Whether committees are a good or bad thing depends on how they are used rather than being an intrinsic characteristic of the committees as such.

I can't either confirm or deny the 900 figure. I just don't know.

Senator JACKSON. We have a letter here.

Dr. YORK. I can say that in my own office there are quite a few. I guess we make a considerable contribution to that 900.

Senator JACKSON. There are 733 full committees and 179 subcommittees, so that brings it just a little over 900. This does not include the classified committees. This is from the Department of Defense in response to an inquiry that we made on March 11 and signed by O. M. Gale, special assistant, as of April 18.

Dr. YORK. This is committees also by all the different names that are used, like groups, boards, and so forth?

Senator JACKSON. I will tell you some of the names of them. One is the Joint Master Menu Board. One is the Interservice Flight Vehicle Power Group. Another is the Fiscal Sponsors Committee of the Toxicological Information Center. Another is the Department of Army Accelerated Item Reduction Program Task Group. Another one is the Interdepartmental Screw Thread Committee, and then there is the Helium Policy Committee with the following directive in part:

To study national policies and prevent the loss into the atmosphere of any appreciable part of the country's helium which has not first served the purpose of helium.

I am not trying to be facetious.

Dr. YORK. I will stick by my original statement that a committee or a committee system is not either bad or good on its own, but it depends on how it is used. I am certain that there are obsolete committees. I know that in my own case there are a number of committees recorded as existing which haven't met for a long time. It is simply a matter of making a final decision that they never are going to meet again. But, of course, there are very many kinds. Most of the committees that I deal with are advisory committees of one kind or another through which we seek the judgment and advice of experts in the vast number of fields that we have to deal with.

We have committees in aeronautics, we have committees in electronics, and so forth. In electronics we have quite a few different committees, committees that deal with electronic tubes and parts who advise us as to whether or not the total program in the development of electronic tubes and components is sufficient in all of its aspects. We have advisory committees on radar and so on.

This class of committee is the advisory committee and it is, generally speaking, not in an administrative chain of authority. Questions which are up for decision are not, generally speaking, put through the committee to get their views; but, they deal more with long-range subjects such as whether we are doing enough in certain scientific or technical fields or whether we are putting our attention in the right direction.

On occasion a particular problem comes up that we are going to have to make a decision on at some time in the not-too-distant future

and we may refer to one of these committees for some particular technical advice in that connection. With regard to committees which are advisory to me, they are strictly advisory and not authoritative, and they understand that situation and so do the people in my office.

There are other committees, and some of the ones you named come in this category, which exist simply because there are interdepartmental problems that need to be considered jointly on occasion. All three of the services use aircraft engines. It is necessary to get people together to inform each other as to what is going on and to determine what might be omitted or where duplication might exist. You have two choices. You can get a few knowledgeable people together when a problem comes up and talk about it and then you can all go back to your offices and 6 months later somebody gets some more people together, or you can decide you are going to get the same people together frequently, and if you do, then you call it a committee. That is just the word used for a particular group of people that meet on one problem more than once.

Senator JACKSON. The committee system is an ancient and honorable American custom and I think common to most free society. It has invaded all of our institutions whether it be in the Federal Government or even outside of the area of Government. All organizations use it. I think advisory committees can be very helpful. I am just wondering about the problem where you have an interdepartmental committee, for example, or a departmental committee where the chairman really doesn't have any power to make a decision. I believe Dr. Perkins the other day, and some others, pointed out that so many times when the regular machinery of Government is not able to provide an answer, it is turned over to the committee and then the committee gets it and the problem is that no one has the authority to make a decision within the committee and it will stay there awhile, something will happen to it maybe, and something won't, so I wonder if you made a distinction between the type of committee where a decision can be made, and those where it cannot.

Now, as to advisory committees, I think they are very useful, but that is in a different area. That is not what I am directing my question to.

Dr. YORK. With respect to the committee that I am concerned with, in general the chairman has the authority and the only authority. If votes are taken it is to get a consensus, but in most committees I am familiar with or most committees that I am on there is one person with the authority and the committee is for the purpose of aiding him to come to a conclusion.

Senator JACKSON. I am glad to hear that. I think certainly a committee can accomplish some very useful objectives where there is one person authorized or some devices set up to reach a decision.

Dr. YORK. Two that I am involved with happen to be called councils instead of committees. One of them is the Armed Forces Policy Council. The chairman is the Secretary of Defense and he has the authority and makes the decisions. The other is the Research and Engineering Policy Council, of which I am chairman. It consists of the R. & D. Assistant Secretaries of the services, including the Army's Director of R. & D., the military chiefs of R. & D. of each service, and the Director of ARPA. The existence of that committee does not in

anyway reduce my authority. It is a means I use for finding out what my colleagues in the services think as an aid to coming to decisions that have to be made in defense.

Senator JACKSON. You find it a useful device?

Dr. YORK. Yes.

Senator JACKSON. I will conclude my questioning at this time by just expanding a little bit on this point and ask you this. We all hear from time to time about the amount of redtape within the Military Establishment. I realize this is a generalized complaint that is made not only as far as the Military Establishments is concerned, but within other departments of the Government.

I wonder if you could indicate what your chief obstacles are at the present in trying to get things done, if you have them, and what might be done to improve them. After all, we are trying to be constructive here and certainly welcome any suggestions that you may have to help get your business done with greater dispatch and more efficiency.

Dr. YORK. If I had any really good ideas on how to improve it I would be trying to work them out with the Secretary of Defense or some one like that within the Department.

Senator JACKSON. Where you have the statutory authority.

Dr. YORK. And where he does.

Senator JACKSON. I say to the extent that you have that authority within the Department.

Dr. YORK. Redtape is something that we have plenty of. That is not news. It takes all sort of shapes and forms and each and every instance is something which can be justified in detail. It is only when you look at it in general that you can feel that somehow it doesn't add up. It, of course, causes delays. The problem we started with is one piece of the redtape, the necessity for producing a new budget every 12 months and the necessity for having this reviewed in all of the places that it has to be reviewed within the executive branch and in the legislative branch of the Government.

There are just myriads of rules. I am afraid that I don't know what all of the rules are that my colleagues and I are faced with. I have found it useful, instead of learning what all these problems are myself, to have some other experts on them trying to give me guidance or find loopholes in what we are doing. It takes a long time.

Senator JACKSON. It takes a few Philadelphia lawyers.

Dr. YORK. It takes a long time. When one finally has decided to do something there is a lot of time between when that decision is made and when it is finally carried out. Much of the redtape which involves the many reviews we have relates to laws that have been made to cover one or another kind of special purpose, and relates to the fact that the budget comes in pieces.

The "Military construction" budget is an entirely different budget item from the "Research and development" budget. In the "Military construction" budget, of course, our facilities which are being built for research and development purposes are handled within the executive branch by different people, that is, these two budgets, and within the Congress they are handled by two entirely different sets of committees.

Senator JACKSON. That is right.

Dr. YORK. And just getting these two to mesh is a job. If you have them meshed and then something goes wrong, there is a change in one

of them, then you have to coordinate, in all of the expansive sense of that word, to get the other one to come out right, and there are so many involved in each of these that it is no mean job. I guess that is what you mean by "redtape."

Then there are all of the rules and regulations and questions asked concerning, for example, small business. I have no quarrel with any of the legislation designed to protect small business and don't mean to imply I do, but it is one more thing that people have to take into account.

There are complicated procedures that take a long time which you have to go through, if you happen to need new land for some purpose. These procedures are designed to protect the public against unfair seizure by the Government, but at the same time they are another piece of redtape that we have to be involved with.

We are, of course, concerned with safety procedures at many of our installations where hazardous activities are underway, such as in connection with atomic energy, with launching missiles, or in testing explosives. In order to make sure that safety against accident in these fields is better than safety against ordinary accidents, which happens to be necessary because of the kind of publicity that you can otherwise get, we have all kinds of rules and regulations concerning safety. These come under the general heading of redtape, too, I think.

It is such a broad problem that I don't know how you could decide to get rid of 50 percent or some flat figure like that. What you have to do is make sure that there are in the Government, both in the Congress and in the executive branch, people who are willing to try to either reduce it or at least not keep it from growing any further.

Senator JACKSON. I certainly realize that it is difficult to make specific recommendations for change without having an opportunity to have it thoroughly gone into, even though some of these things are very burdensome. The alternatives make it very difficult.

Senator MUSKIE.

Senator MUSKIE. I take it we are going to be called.

Senator JACKSON. We are going to have a vote in just a minute on the coal mine safety bill. We will have a 15-minute recess and then I am sure it won't be too long after that. We will be right back. I hope we won't tie you up too long.

(A brief recess was taken.)

Senator JACKSON. The committee will resume. I am sorry, Dr. York, that we were detained.

Mr. Pendleton, do you have some questions?

Mr. PENDLETON. Thank you.

Dr. York, you referred earlier to a Council called the Research and Engineering Defense Council.

Dr. YORK. Research and Engineering Policy Council.

Mr. PENDLETON. Could you describe briefly the nature and operations of that Council?

Dr. YORK. The nature of the Council is best given by describing its membership. It consists of the Assistant Secretaries for Research and Development for each of the services; in the case of the Army that means the Director of Research and Development. It also includes the military chiefs of each service, including the Marines, the Director of ARPA, my two deputies and myself.

It meets about once a month and its purpose is to discuss overall research and engineering problems, particularly in this case from an administrative point of view. It tries to come up with proposals or solutions as to how to handle some of these problems better.

Mr. PENDLETON. Do you think that this Council has been effective in coordinating research and development within the services?

Dr. YORK. Yes; although not so much by its own deliberations but by suggestions emanating from the Council on how to do it at levels where more detail can be handled.

Mr. PENDLETON. Now, turning next to the Department of State, what is the present procedure whereby the Department of Defense keeps the Department of State informed of developments in the research and development field?

Dr. YORK. The primary contact between the Department of Defense and the Department of State in all fields is through the Assistant Secretary of Defense for International Security Affairs. That is other than at the level of the Secretaries and through the National Security Council. In my office I have an Office of Foreign Programs and one of the functions of that office is to work with the Assistant Secretary of Defense, ISA, in things which involve State.

As far as I am concerned that usually has to do, though, with things like problems concerning programs which we conduct in foreign countries, and how we should conduct them, and so on, rather than with larger scale questions concerning the influence of research and development on the U.S. foreign policy. These questions are generally handled by the Assistant Secretary of Defense for ISA and the Secretary himself in connection with the Security Council and other groups of that sort.

Mr. PENDLETON. Through those people that you have mentioned, information on your research and development progress does get to the Secretary of State?

Dr. YORK. Yes; through those channels or through the National Security Council and the Cabinet.

Mr. PENDLETON. I have no further questions.

Senator JACKSON. I understand you have a 4 o'clock appointment, Dr. York. I think you can almost make it. It is not more than 15 minutes away.

We want to thank you for your appearance here today and we appreciate having your comments on the various questions put to you.

The committee will stand adjourned subject to the call of the Chair. We contemplate our next set of hearings the week after next. We have not the final dates on that but it will relate to people and we may be calling you again, Dr. York. If so, we will give you ample notice.

Dr. YORK. Thank you, sir.

(Whereupon, at 3:45 p.m., Wednesday, April 27, 1960, the committee adjourned subject to the call of the Chair.)

ORGANIZING FOR NATIONAL SECURITY
HOMER F. LEBLANC FOR GOVERNMENT SERVICE

HEARINGS

BEFORE THE

SUBCOMMITTEE ON

NATIONAL POLICY, MANPOWER

OF THE

COMMITTEE ON

GOVERNMENT OPERATIONS

UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS

SECOND SESSION

MAY 12, 13 AND 14, 1959

ORGANIZING FOR NATIONAL SECURITY

HOME F. LEBLANC FOR GOVERNMENT SERVICE

PART III

REMARKS OF SENATOR LEBLANC

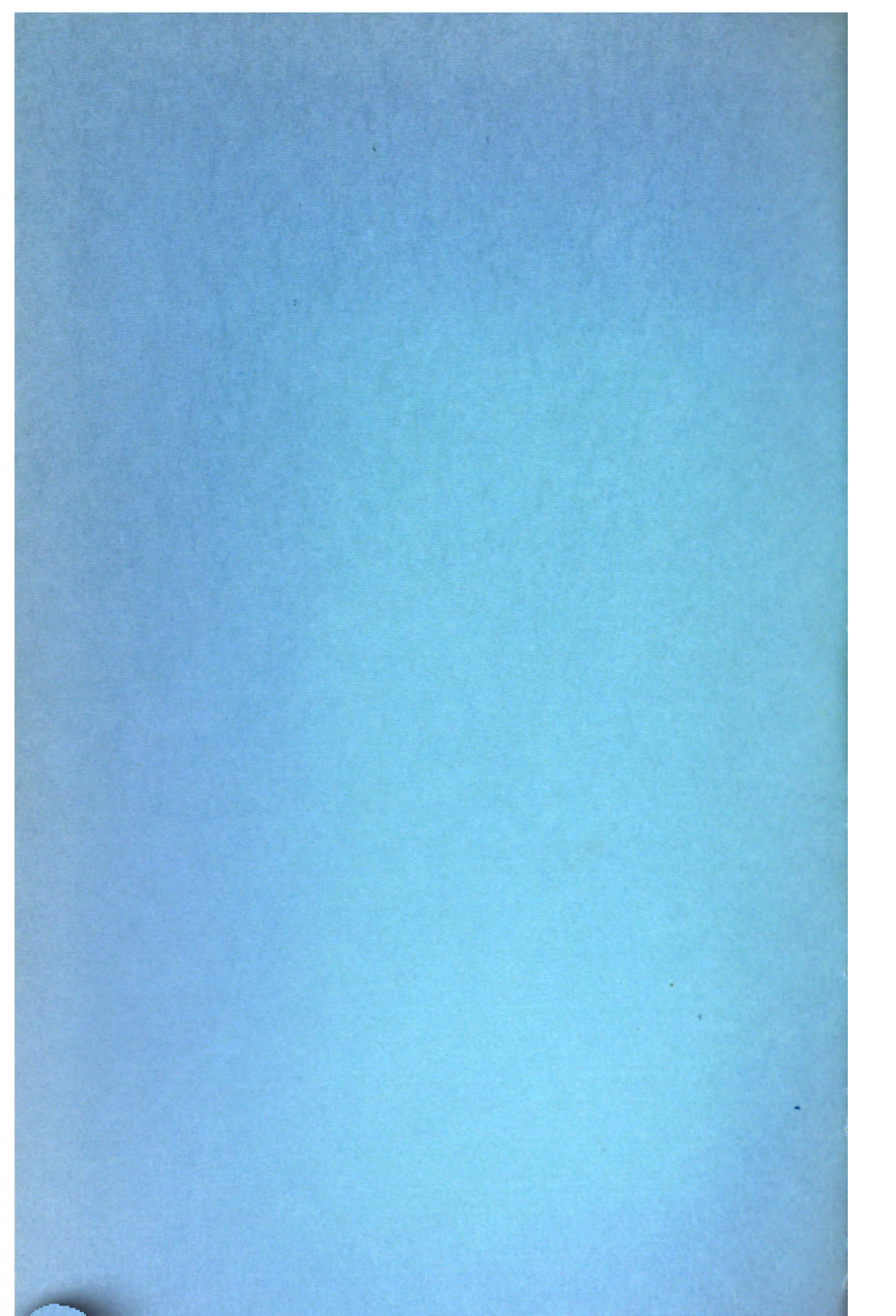
Printed for the use of the Subcommittee on Government Operations



UNITED STATES

GOVERNMENT PRINTING OFFICE

WASHINGTON, D.C. 20540



ORGANIZING FOR NATIONAL SECURITY
MOBILIZING TALENT FOR GOVERNMENT SERVICE

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS
SECOND SESSION

MAY 11, 12, AND 13, 1960

PART III



Printed for the use of the Committee on Government Operations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1960

COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, Jr., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

HOWARD E. HAUGEUD, *Professional Staff Member*

EDMUND E. PENDLETON, Jr., *Minority Counsel*

CONTENTS

MAY 11, 1960

	Page
Opening statement, Senator Henry M. Jackson.....	413
Testimony of Harold Boeschstein.....	414
Testimony of Roger W. Jones.....	434
Testimony of Bayless Manning.....	455

MAY 12, 1960

Opening statement, Senator Henry M. Jackson.....	477
Testimony of Marion B. Folsom.....	478
Testimony of Crawford H. Greenewalt.....	494

MAY 13, 1960

Opening statement, Senator Henry M. Jackson.....	517
Testimony of John J. Corson.....	518
Testimony of Roswell B. Perkins.....	544

MOBILIZING TALENT FOR GOVERNMENT SERVICE

WEDNESDAY, MAY 11, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 3802 New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Also present: Senator Stennis.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard Haugerud, professional staff members, and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

Today the subcommittee begins 3 days of public hearings on the problems involved in securing our Nation's finest talents for Government service in the demanding years of the cold war which lie ahead.

From the outset of our study, we have recognized that human talent is our most precious resource. Good people can often triumph over poor organization; poor people will defeat the best organization. This theme recurred again and again at our hearings 2 weeks ago on "Science, technology, and the policy process."

While recognizing the indispensable role of the career service, we are focusing this week upon the equally important problems of recruiting and retaining topflight political executives—the group of high officials and their immediate assistants on whom rests the ultimate responsibility for governing.

The fact is we have encountered disturbing difficulties in securing first-rate talent at the very time when the national security calls for the country's "best brains" to man key posts at home and abroad. One purpose of these hearings is to explore those difficulties—to analyze the factors which have made many reluctant to accept Government service. In so doing, we hope to find new means for attracting the talent we must have to outthink, outplan, and outperform totalitarianism.

With this in mind, we have invited seven distinguished citizens from government, business, law, and the universities to give us their views on this subject. All of them have wrestled with the problems which concern us. All, I believe, have important contributions to make to the subcommittee's work.

I should note at this point that the subcommittee has agreed with the President that—

testimony by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National

Security Council and its subordinate machinery will be taken first in executive session.

We have notified our witnesses accordingly.

We are deeply privileged to have as our first witness this morning Mr. Harold Boeschstein, president of the Owens-Corning Fiberglas Corp. Mr. Boeschstein's Government service began in World War II when he served as Vice Chairman of the War Production Board. Then and since he has worked on the problem of recruiting executives for Government service.

More recently, Mr. Boeschstein has served as Chairman of the Business Advisory Council of the Department of Commerce and as Chairman of the Special Committee on World Economic Practices, having been appointed to the latter position by President Eisenhower in 1958. His background in business and government for more than two decades brings to bear a wealth of experience on the questions before us today.

Mr. Boeschstein, we are grateful for your presence here. You may proceed in any way that you wish in presenting your testimony. I believe that you have a prepared statement.

Mr. BOESCHSTEIN. I have, Senator Jackson.

Senator JACKSON. You may proceed.

STATEMENT OF HAROLD BOESCHSTEIN, PRESIDENT, OWENS-CORNING FIBERGLAS CORP., TOLEDO, OHIO

Mr. BOESCHSTEIN. Mr. Chairman and members of the committee, my name is Harold Boeschstein. I am president of Owens-Corning Fiberglas Corp., with general offices in Toledo, Ohio. I am here at the request of your chairman to present my views as to the problem the Federal Government has in attracting men of outstanding ability to Government service for top national security positions; how to train them better; and how to retain them in service for longer periods of time. The opinions I express are based upon my experience in industry and my observations in various assignments related to Government under three Presidential administrations.

These include service as a member and then as Vice Chairman for Operations of the War Production Board during World War II. Subsequently in 1951-52 and again in 1954 I served as chairman of committees created by the Business Advisory Council, at the request of the Secretaries of Commerce, to aid in obtaining competent personnel for the emergency agencies set up in the Korean war period; and later to aid particularly the Department of Defense and the Department of Commerce in recruiting individuals with character and experience for a number of important administrative and technical positions.

I should make it clear that these latter committees were advisory only to the responsible Government officials. The members functioned merely to assist officials in locating for their consideration men qualified for the job in question and, if requested, we sought to help in determining the availability of those proposed.

In 1953 I also served on a committee appointed by the Secretary of the Army to study the organization of the Army and in 1958, at the request of the President, the Business Advisory Council set up

a special Committee on World Economic Practices of which I served as Chairman.

Chairman Jackson, in his letter requesting me to testify, expressed his conviction that

good policymakers and administrators can prevail over faulty organization, whereas the best kind of organization, on paper, will still be ineffective if it is administered and staffed by people not possessing enough knowledge, experience or skill to discharge their jobs properly.

With this I fully agree.

The making and execution of national policy decisions requires that key posts in a number of Government agencies—especially the Departments of Defense and State, the military services, the ICA, the Development Loan Fund, and critical positions in the Executive Office of the President, and the Departments of Treasury and Commerce—be filled with experienced and able men of character. It requires also that our Government be able to put to work on key projects—the building of an airfield in Libya, the construction of a chemical plant in India, or the extension of the DEW line—the best talents and resources American industry has to contribute.

In short, as a nation, we must put our “first team” in the field. We must find ways of attracting and keeping able men and we must find better ways of utilizing this country’s industrial, engineering, and university facilities to develop and build the weapons, missiles, the payloads—and to execute the major contracts overseas that constitute, in considerable part, this country’s security.

Your committee’s staff has posed several guideline questions to me and the first of these ask:

How seriously has our National Security policymaking suffered through not being able to attract the right people for the right job?

Let me make it clear at this point that I believe that in many positions we have obtained the right people. In a number of others, we have not been successful.

In my experience, there are no one or two simple pat reasons why we fail to attract more able people to important Government posts. They vary, depending upon the circumstances and attitudes of individuals.

Probably the most serious obstacle to bringing people from business and the professions into top level posts in the Federal Government arises out of the vagueness of the laws and regulations dealing with conflicts of interest. As a consequence, in various cases there have been different interpretations over a period of time by the Congress and by the Department of Justice as to this application. This has given rise to fear of legal reprisal for alleged or real conflicts of interest, and the gravity of personal sacrifices that are called for in order to remove any basis for allegation of the existence of a conflict of interest.

Solution may be found in the recommendation of the Special Committee on the Federal Conflicts of Interest Laws of the Association of the Bar of the City of New York. That now has been in preparation for 2 years.

Senator JACKSON. Mr. Roswell B. Perkins, who is chairman, I believe, of that committee, will be testifying on Friday, as well as Prof. Bayless Manning, professor of law at the Yale University, who will

testify this afternoon. I believe that he was the staff director for that very fine and able effort.

Mr. BOESCHENSTEIN. Thank you, yes.

But, in any event, the present situation needs to be clarified promptly and I hope your committee will find a reasonable solution. Consideration could be too late should we be confronted abruptly with a major emergency.

I should like to express my own view and, that is, I do not believe that we can legislate probity.

Another deterrent for many men who might otherwise serve their Government is the prospect of unwarranted abuse. The abuse I speak of may come in the form of unjustified partisan criticism by congressional committees or in the form of extravagant assertions by selfish pressure groups. Also, I might add, unwarranted criticism which often comes from the press.

Many business and university people with the kind of experience needed are neither accustomed to nor willing to subject themselves to this kind of treatment.

I mention this deterrent without having any very positive suggestion as to what, if anything, can be done about it. I, like you, would be reluctant to encourage any effort to curb freedom of the press or the right of congressional committees to inquire into the operations of government. Sometimes I think that these inquiries should be a little more objective and a little more restrained than they are. Perhaps a realistic answer is the advice voiced by a former President, who said: "If you can't stand the heat, stay out of the kitchen," even though this means that some able men are going to be lost to Government service. They do stay out of the kitchen.

Another major hurdle for many men in private business who possess the kind of experience required for top-level Government jobs, is the insecurity of public employment and the inadequacy of compensation. Men climbing the ladder in a first-rate corporation or on a university faculty, with children to send to college and homes upon which payments are still being made, are understandably reluctant to give up a permanent association, along with accumulated pension rights, perhaps some opportunity for capital investment, and the requirement that he sacrifice stock investment he may have acquired for the uncertainty of a Government job at Government compensation.

Further than this, the kind of men we seek are usually in important and challenging positions in private life. It is often hard to convince them that they can be more useful and effective in a Government position. Hence, we find ourselves time and again looking to older and retired men, whose experience is adequate but whose vigor and imagination are not always up to the demands of a tough Federal job.

One final point I should like to make refers to the work of the Special Committee on World Economic Practices, which I have mentioned earlier, and which the chairman mentioned. The committee was especially concerned with the study of the Soviet economic aggression and means of countering it. Its membership counted unusually talented and experienced men including S. D. Bechtel, Frank Stanton, Eugene Holman, Henry Alexander, S. C. Allyn, Philip Reed, and Thomas Taylor. These men gave generously of their time and studied

a great many aspects of the critical problem of economic warfare. They put in months and months of real effort.

One conclusion the group came to of especial relevance to the problems of your committee, it seems to me, is the urgent need in our overseas activities of enlisting the more effective participation of American business. We devoted a section of our report to the topic "Organization for Public-Private Partnership." Our objective was, as I have indicated earlier, to put "our first team in the field"—to prove our capability as contrasted with the best the Communists can commandeer. To do this, we pointed out that our Government requires improved ways of contracting with business and engineering firms and universities to carry out many of the economic projects overseas that are important to an effective foreign policy and our national security.

We need, for these tasks, a maximum use of private capital and also of individual companies, universities, and foundations to provide engineering and management skills and technical know-how whether the projects are financed privately, or by Government, or by a combination of the two. The effort to expand private enterprise participation is beginning to make some progress and I hope this will gather momentum so that we may put our country's best foot forward in the challenge that still lies ahead of us.

The Federal Government now contracts for a variety of services that are essential to its defense program as well as for foreign aid. It contracts, for example, for the design and engineering of major weapon systems; for critical research projects; and for the management of laboratories. If we are to develop a fully effective public-private partnership, there are other areas in which such contracting relationships should be developed. This is one sure way to bring to the service of Government the ablest individuals and institutions this country has.

I would like to say one thing, in connection with our experience during World War II in the War Production Board, as to why I think it is important that this committee do something now.

During the first year or so of World War II, because of conflict-of-interest concepts, we could not have the steel men running the steel division, or a man who was versed in the machine tool industry, and who knew what the different factors were in the machine tool industry and what different plants were capable of doing; we could not have men qualified in their respective fields as directors of industry divisions.

It was a year or more before we got rid of what might be considered a demagogic concept, and modified restrictions to a point where we could bring in people who were competent and who understood the respective areas to which they were assigned.

Gentlemen, I believe that with the weapons available today for war we would really be in trouble if we had an emergency situation; we could not expect a year's period of grace to get our "first team" in the field.

Senator JACKSON. We are very fortunate, I might say, in having you as our first witness on this all-important subject. I want to express our appreciation for your very fine statement.

Do you feel that we are in a long, drawn-out struggle with the Communist bloc that may last 10, 25, or 50 years?

Mr. BOESCHENSTEIN. I think that we have to assume that. I think we must assume that.

Senator JACKSON. Is that a fair assumption?

Mr. BOESCHENSTEIN. Yes.

Senator JACKSON. And recent events, especially of the last few days, bring into sharp attention, at least, to the people of this country that we are, indeed, in the cold war, are we not?

Mr. BOESCHENSTEIN. I think that is right.

Senator JACKSON. And would you say that it is reasonable to assume that being in a conflict, or a conflict that is different than any that this country has ever been involved in, in the past, that is, the so-called cold war, that we certainly should combat it with the same effort and the same determination that we would in any other kind of a conflict—is this not a fair assumption?

Mr. BOESCHENSTEIN. Yes; I agree with that. The difficulty is, I think, that you do not have in this kind of a situation at least, presently, the same emotional appeal that you have when you are really fighting an all-out, hot war.

Senator JACKSON. We do not have the drama and the advantage of a hot war.

Mr. BOESCHENSTEIN. The main point being that the skill that is required, if anything, is greater.

Senator JACKSON. I am glad to hear you make that statement, because I, personally, feel that the Communists are counting on the fact that this is, indeed, a new experience and that democracies are not accustomed to a long drawn out, protracted conflict. I think at times they are sort of banking on a lack of staying power. They question whether we will put up for this type of long drawn out conflict.

Mr. BOESCHENSTEIN. We are notoriously an impatient people.

Senator JACKSON. And this can cause problems, to put it mildly?

Mr. BOESCHENSTEIN. That is right.

Senator JACKSON. Well, now, the reason that I asked the preliminary questions, of course, is in connection with the need that you have to have the best talent in our Government at all times when we are trying to combat such opponents, whose objective is to make over the world in their image.

In the light of that fact, do you not feel, Mr. Boeschenstein, that there is an opportunity to get better talent and better people into the Government, if we remove some roadblocks and improve the environment for people to come to Washington and to participate directly in the making of important decisions?

Mr. BOESCHENSTEIN. Well, I am sure of this, because we have had a good deal of experience in recruiting people. And this has been under three administrations, and in varying circumstances. The Korean war was one. We had to find able people and we tried to help, then, to induce them to come down here during that period of time.

Subsequently, we moved again into the cold war and we were again called to locate people for these needs.

I would like to make this clear so that there may be no wrong implication: I think that we have some very, very able men in Government today. I believe that Secretary Gates, Mr. Douglas, and Dudley Sharp, who have been down here for a long time, as well as many

others in various posts who have moved up to their positions with broad experience, have proven ability and dedication. I think a number of the under secretaries and assistant secretaries are highly competent men. I think that we have had some wonderful, competent people in the past, such as Jim Forrestal and Bob Lovett, and the like. You cannot find more capable and more dedicated people than they were and many here now are.

I think that points up another thing; that is, that those men are men of character. And they would do their duty for this country, whether or not they had to sell their stocks, or whether they owned stocks or had other interests or not; in other words, I think that this conflict of interest situation is carried to a perfectly foolish point some of the time.

A recent case that came to my attention through the press—and it was after you had called me, Senator Jackson, so I clipped it out of the paper—had to do with Mr. Mills, recommended for the Federal Communications Commission. He was the beneficiary, during his lifetime, of a trust which was controlled entirely by a bank in which he had no interest. There were several stocks in communications companies included in that inherited trust over which he had absolutely no control. The bank, carrying out its legal responsibility as trustee, decided it was unwise to sell the stocks which really belonged to the children, he having only the benefit of income from the trust. Yet this was apparently adjudged as a conflict of interest.

That, to me, is just carrying the thing to an extreme. If a man is dishonest, he ought not to be in Government.

That is nit-picking, in my opinion.

Senator JACKSON. If we were in an actual shooting war it is obvious that we would have to overlook—

Mr. BOESCHENSTEIN. That seems to me right.

Senator JACKSON (continuing). Some of these provisions in the conflict-of-interest statute or the interpretations of the statute.

Mr. BOESCHENSTEIN. Yes; then this question of compensation is one that comes up frequently, but I doubt whether compensation alone is as much of a deterring factor with many as are the benefits which a man gives up. His career is jeopardized, particularly if he stays here over an extended period of time. He has the problem of uprooting his family and maybe maintaining two homes. He has a problem of educating his children. He has on top of that, then, the required disposal of stocks and investments and, particularly, stock in a promising, growing company, if he is in such, that is likely to increase in value. That may be a tremendous sacrifice to ask a man to make. That is some of the fat he has to live on later.

Senator JACKSON. You say, No. 1, I take it from what you have said up to now, that the first order of business is to revise the conflicts-of-interest statutes so that the statutes will be workable in the light of the enormous threat facing this country, and that we will have to face for years to come, so that we can get the best possible talent in Government when we need that talent. Is that a fair statement?

Mr. BOESCHENSTEIN. Yes, sir; so that those statutes are clear and are not left to interpretation, depending upon the demagoguery, the trend of the times, or people, either legislative or administrative people.

Senator JACKSON. I have suggested one thing that we might do, and I would like to get your reaction to this—and this is a very general statement that I am about to make:

Might it not be helpful if when they come from industry or from universities or from nonprofit corporations that are set up to do research work of various kinds, that there be a contract between the Government and the industry or the university or the nonprofit institution which will spell out specifically the responsibility of the company, the individual who is coming into Government so that all parties will know what the responsibilities are, what the risks and the rights are, so that it cannot later be subject to all sorts of fine interpretation which will be used to embarrass someone; in other words, give them a specific charter, an agreement, so that the public interest would be protected, as well as the employer and his employee who comes to work for the Government.

Do you think something along that line—I am not asking that you be specific—something in that general direction would be helpful to avoid unfortunate happenings later?

Mr. BOESCHENSTEIN. Mr. Chairman, I hesitate to give a categorical answer to that. I think that there might be some difficulties and that it might be a clumsy way in which to have to deal with each individual who might come down here. I scarcely believe that is necessary with most of the businesses. Most businesses are willing to have their people come if they feel that they are not going to be subjected to unwarranted abuses and criticism and misunderstanding.

It is the removal of those things that will clear the barriers now standing in the way of people coming down here.

Senator JACKSON. I am thinking of a form contract. The point that I am trying to make is that a man who may have given 2 or 3 years, productive years of his life, in order to come down to Washington, can be hauled in later, and there may have been a lot of telephone conversations about his coming down here, but when you get right down to it, there has not been a real definitive understanding in writing of what he is supposed to do, what the Government expects, and the obligation of the employer. The result is that it can be brought up many years later, and the individual placed in an embarrassing position.

I merely thought there might be a better effort to spell out more specifically the exact arrangement under which he comes to the Government. I am thinking of an agreement that would apply to all employees with a certain company.

Mr. BOESCHENSTEIN. A standard form of agreement?

Senator JACKSON. This is what I mean——

Mr. BOESCHENSTEIN. If that could be arrived at and could be supported, certainly, it warrants investigation. I think it would be particularly worth considering in connection with young men. Bring young men in early for a period of indoctrination and training, so that they have a background, and they get some feel of how you operate the Government and the conditions under which they have to operate.

Senator JACKSON. Is it not a fact that some of our ablest people that we need in Government are young men who stay in business who are going up the ladder quite rapidly, they have acquired certain

stock options, they have certain pension rights—they are in the promotional process.

Mr. BOESCHENSTEIN. Yes.

Senator JACKSON. It happens that they are the very individuals also needed in Government. They might be outstanding scientists, engineers, administrators. Under those circumstances, it seems to me that we are confronted then with a situation that will require some kind of special remedy if we are going to use that talent. Certainly, if we are in a hot war, we would not hesitate to have them in. I see no difference at all in the situation that we are in now insofar as the long-range objective of the enemy is concerned. And we had better be prepared to deal with the situations when they arise.

Do you have any comments as to how we are going to handle that individual as contrasted, as you so ably pointed out, with the man who has retired and is leaving industry—that simplifies the problem there—at least—who has already left business—but how do you deal with this able, young, aggressive executive that we need. What is the solution?

Mr. BOESCHENSTEIN. I think that these people fall into several categories.

Not your older man, who is pretty well along, and I mean by that, is ready for retirement, who is kind of worn out and is just coasting—rather, I am talking about the man who is at the top of his field—that is one situation.

The junior executive is another.

Then you have young men, and I mean young men who, perhaps, have been out of college a couple of years, who are coming into business, who show real capability.

You have those three categories.

I think I have one suggestion. In the notes given to me by your staff, and these have some appeal—I think that the program for bringing these very young men here and giving them 6 months or a year or more of indoctrination, so that they understand how the Government works, so that they understand some of the problems that are different than the problems that we are confronted with in business—I think there is much value in that.

We have another precedent, in some degree, in the Business and Defense Services Administration at the Department of Commerce wherein their industry divisions do have a turnover of people, usually in the junior executive category, who come in from industry and serve a stint and then go back. I think that has worked out quite successfully.

The form of contract will have to be spelled out.

I am kind of suspicious of simple answers to these things.

Senator JACKSON. We are contracting out now for services with industries, or the universities, and with nonprofit corporations, which have been helpful, as you pointed out in your able statement.

It is likewise necessary to have in the Government able men to review the recommendations that come from these organizations. Otherwise we would end up in the situation wherein a policy can be, for all practical purposes, made outside of the Government.

Mr. BOESCHENSTEIN. Are not those generally reviewed? For instance: the Atomic Energy Commission, when contracting out work,

is this not reviewed by the Atomic Energy Commission? There may be some blank spots, but from my own observation in most of these situations, this work is reviewed and there is policy guidance. There is an audit, if you please.

Senator JACKSON. Yes; I agree. They are reviewed, but what concerns me is this. Do we necessarily have the best talent to review those recommendations? I know that in these outside organizations we have some of the finest help in the country. In the end their recommendations must be approved by the Federal Government. I, personally, have been concerned, that is in some instances at least, we do not have comparable talent passing judgment on the recommendations that have been made by the contractor.

Mr. BOESCHENSTEIN. I do not know whether this is done to the degree that it should be. I think that the problem is in getting men who are as competent as the people that you contract with. That is the problem. And there again, that becomes a matter of judgment.

For instance in the Defense Services, I do not think that a man needs to be skilled in the military to be able to serve as the Assistant Secretary or the Under Secretary or even the Secretary. I think that he has to be an able administrator. He has to be a man with broad experience and judgment. He has to have a capability for dealing with people and sizing them up. But to be completely proficient in the profession as a military man, for example—and you can apply this to the Atomic Energy Commission field, or any other—it is a little unreasonable, because that is a lifetime career in itself.

Senator JACKSON. I would agree with you, especially where the civilian has had some experience in government.

Mr. BOESCHENSTEIN. Yes. Those are the kinds of people you are talking about, I take it, that we ought to have to review these contracts.

Senator JACKSON. That is right. I have many other questions, but I will turn now to Senator Javits.

Senator JAVITS. I want to join with our chairman in expressing my gratification at your being present. This is one Senator who would like to compliment you for your services rendered to our Government, particularly in the area of public and private partnership for helping the foreign economic policy of the United States in its oversea work.

I am very well aware of your work there.

Mr. BOESCHENSTEIN. Thank you, Senator.

Senator JAVITS. I find a number of things in your statement which are specific which I should like to ask you about.

First, I notice that you make a considerable point of the fear of legal reprisal and unjustified partisan criticism by congressional committees of individuals who join the Government. We have had quite a good deal of that. And I join you in protesting against it. I would like to ask you this specific question.

Suppose we had a committee in the Congress, like this committee which would in a sense be a public defender, so that if a man did get his name dragged through the mud as often happens, that there might be a committee, which because it is seeking to get the best manpower for our Government, would come to his defense. Do you think that would ameliorate this situation for the individual executive contemplating a career in Government?

Mr. BOESCHENSTEIN. I think that it very well might help, if it is a well constituted committee, Senator Javits.

I think along with it, though, there needs to be clarification and a cleaning up of the conflict-of-interest regulations and statutes that now obtain. They are pretty fuzzy. And there needs to be some criteria, it seems to me, as to what a man is expected to measure up to, which will be guideposts that the executives or the legislative branch of the Government is to follow in making appointments.

Senator JAVITS. I called it a public defender.

Mr. BOESCHENSTEIN. It could be very helpful.

Senator JAVITS. I myself, am the sponsor of a bill incorporating recommendations of the Bar Association of New York, as to the conflicts-of-interest law. Would you be able to endorse that piece of legislation specifically?

I know that you left that open here.

Mr. BOESCHENSTEIN. I left it open, because I have not had an opportunity to review their conclusions. I have read their approach to the problem. I know who the members of the committee are. It is a good committee. But I have not read their specific proposals.

Senator JAVITS. Would you be in a position—

Mr. BOESCHENSTEIN. You can become a little unrealistic in this thing. I get back to one thing, that you cannot legislate probity. A man either has character or he has not. Most of them know what is right and what is wrong.

Senator JAVITS. But you do feel that we need to reinvestigate and reclarify our conflicts-of-interest laws. You do feel that?

Mr. BOESCHENSTEIN. We certainly do.

Senator JAVITS. Would you consider it too much of a burden, Mr. Boeschenstein, to read the report of the bar association and let us know in a letter to our chairman as to whether you agree with it, or whether any changes should be made that you would like to see made. It is my information that we are likely to get a fairly good reception on that particular report from Government departments, so it may become a very practical matter of legislation.

Mr. BOESCHENSTEIN. I anticipate reading it, anyway. If you would like to have my opinion, I would be glad to supply it.

Senator JAVITS. I would appreciate that.

Senator JACKSON. We would be very grateful for any comments that you care to make.

Senator JAVITS. I have just one other question; that is the question of operating by contract. That seems to be a fruitful way in which to get a high level of help in the Government, and a fruitful way of working out what you call private-public partnership.

Do you have any practical suggestions for us in that regard as to how that process might be facilitated and expanded? It is being worked out now in respect to technical assistance; that is, overseas technical assistance. Is there any way you can suggest to us by which we can utilize this tool of contract with private agencies more than we are doing now? Is there anything in our laws—anything in our practice—anything that we can do about it in the Congress?

Mr. BOESCHENSTEIN. I think that some of the departments of Government are doing that very well today. I think that the Defense Department does it very well.

I think that the Space Administration is using it well.

I think that the Atomic Energy Commission is using it.

As I stated in my testimony, I think that we are doing better, so far as our offshore operations are concerned. Your problem there, it seems to me, is that in many of these missions we are represented by people who have very little industrial experience, and their contacts in these countries are with other people in Government. They are the people they know and want to get along with.

It is quite normal for governments in these various countries to prefer to get money from us and then have the privilege of dispensing that as they see fit. We have some of those same problems in our own country.

The disposition very often is to go along on that kind of a basis. We are improving, but instead of dealing on that kind of basis, we should, wherever we can, handle these things by contract with competent people.

I should like to give an example. We built a fertilizer plant at one point, which was done incompetently, because we brought in a lot of people who had never built a fertilizer plant before. And, consequently, it does not work. It is a failure. It does not do our country any good or that country any good. It is a very costly proposition.

If, on the other hand, instead of giving the money outright, we would contract with people who have built fertilizer plants and who know how to operate them, and that contract was one which we sometimes call a key-in-the-door agreement, in other words, one which, when the plant is operating and running and the people are trained to take it over, then and not until then has the fellow who built it fulfilled his contract. When he steps out, we would have a going proposition and it could be done at substantially less cost and with less money. It would be a demonstration wherever we did things in that way of the skills and the ability that America has. It would sell our system, our way of doing business.

We are becoming increasingly conscious of that, but it needs to be pushed.

Senator JAVITS. You have no specific techniques by which we can push it.

Mr. BOESCHENSTEIN. It is a matter for the people who are handling these agencies. I think that some are trying very hard to utilize this method. They are trying to build up people with the missions that we have around the world. I know that Mr. Dillon is trying very hard to do that. But, we lack experience in these things. Very often, particularly, the people in the State Department and in some of the missions have not been trained as to our economic system.

Senator JAVITS. Do we have enough facilities in the country for training people that we are going to send out on these jobs?

Mr. BOESCHENSTEIN. No, we do not. We are getting them. Some of them are through Government effort; some are through organizations like—I think of the initials; I have difficulty remembering the full name although I am a member of it—the Business Council for International Understanding—they have some courses that they are now sponsoring for both business people going abroad and people in Government. Business too often sends the wrong people. A lot of the people that we send out representing industry know very little

about the culture, about the language, about the economic background of the land to which they are going. That is because these things have not been important until relatively recently in the minds of our people and in our educational program generally.

Senator JAVITS. Do you think that there is anything to a plan by which American business would lend for a 2-year period, let us say, lend its own personnel, and our tax law would allow those people to be paid by their own companies, so that they do not lose the continuity of their employment, and yet can help our Government for a limited period of time?

Such a scheme has been proposed by a professor at the Stanford Research Institute.

Mr. BOESCHENSTEIN. I do not know just how the details of that would work, but I believe that in principle it has a great deal of merit.

Senator JAVITS. I thank you.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. I have just a few questions, Mr. Boeschenstein.

I take it that we have two major problems, one to upgrade our career people, to expand the pool from which the policymaking executives might be chosen; and secondly, the problem of inviting people from outside of the Government to come in, because they can make a contribution because of the fact that they are not career Government people.

Mr. BOESCHENSTEIN. Will you give me the second one again?

Senator MUSKIE. The second one is that of bringing people in from outside the Government, because they can make a contribution in view of the fact that they are not career Government people. Is that so?

Mr. BOESCHENSTEIN. Yes.

Senator MUSKIE. Well, now, with respect to the first group, would you say that it is unrealistic to expect that the Government service can ever offer the compensation in terms of salary and otherwise which would compete with those which private industry can offer to young people interested in careers?

Mr. BOESCHENSTEIN. I do not think that that is quite as much of a problem as we like to make it. It seems to me that in civil service where your career people are located, that our problem is that over a period of time in order to protect its integrity, we have built up many restrictive rules and in correcting one evil we have set up additional ones. We have arrived at the point—and I have had this expressed to me by capable people in civil service—where career people are extremely helpful as long as they do not have to stick their necks out and make decisions that could be controversial and thereby get themselves into trouble and impair their careers.

Senator MUSKIE. Are you saying that there are some people to whom compensation is not as important as it is to people who are disposed to seek work in industry and business?

Mr. BOESCHENSTEIN. I believe it depends upon the character of the people. Compensation means more to some people than it does to others. There are a great many compensations in Government service. There is the security that appeals to a great many people. There is a community of living here that appeals to a great many people.

There are satisfactions in the contacts that they have and in the broad relationships that they are exposed to that are important.

So it depends a good deal upon the people and what their ambitions are. I know that we have some extremely able, extremely competent people among our career people in Government, but I do not think that we get the most out of them, because too much recognition is predicated upon seniority. It is a good deal like the situation many railroads are in. It may get that way in other businesses, too, I find.

Senator MUSKIE. Is this part of the price we pay for giving those people security which civil service provides?

Mr. BOESCHENSTEIN. Well, yes, I think that is certainly one of the prices that we pay.

Senator MUSKIE. The fact that the civil service employee cannot be fired, except for cause, is this not likely to stifle his enterprise and initiative and willingness to take risks in making decisions?

Mr. BOESCHENSTEIN. I have had some actual experience with career people in that. I am sure that most are reluctant to take risks. There is little incentive to do this. I am also sure that because of the problem in disposing of people for cause the process that you have to go through presents some difficulties; that it is just not done except in extreme cases.

Senator MUSKIE. In Government service, if you are an executive you are likely to retain people who, if you were in private industry, you would fire and not give it another thought.

Mr. BOESCHENSTEIN. I think that is true with a great many of them. We do not fire all that we ought to fire in industry.

Senator MUSKIE. Looking at this conflicts of interest issue, from this same point of view, particularly in connection with investment in business interests, is it not true that many times when we are thinking of Mr. X for a position which is as important as that of under secretary of some department, that he is asked to divest himself of an interest which he could not have accumulated if he had been in the career service for the same period of time?

Mr. BOESCHENSTEIN. That is right.

Senator MUSKIE. So that, really, what he has to decide basically is whether there is the same appeal to him in Government service that there would have been if he had considered Government service in the first instance?

Mr. BOESCHENSTEIN. That is one way of looking at it. I think what needs to be kept in mind is that there is no problem in getting people for high Government positions. The difficulty is getting people of outstanding experience, ability, and integrity and courage. Those people are in demand everywhere, and they cannot be treated as self-seekers.

Senator MUSKIE. I think that is a very good point of view. I would like the questions I am asking you not to be looked upon as expressing criticism of this point of view, but to pinpoint actually what you may have in mind as a corrective measure.

You are thinking, then, of that area within which we have applied the direction that business interests ought to be narrowed, that in the interests of the country we should not require people to divest themselves of those interests?

Mr. BOESCHENSTEIN. I think that is true. I think, also, it depends upon the position that a man is going to occupy. If I am going to be on the Federal Communications Commission, for example, not having in mind the recent case I mentioned earlier as a very extreme kind of example, because it was nothing over which the man had control, then I think that I should not have an interest in communication stocks. But then we go into positions where people have no control over procurement at all and have very little contact and nothing to do with the decisions that affect things in which they may own an interest; we carry these things too far, to the extreme.

Senator JACKSON. I might mention at this point one example that was called to our committee's attention by a professor at Yale University, Mr. Manning, where one of the lawyers in New York was to be appointed to the Federal Fine Arts Commission, but if he accepted his law firm would have had to give up all of their Federal antitrust and tax practice.

Mr. BOESCHENSTEIN. Yes, you get into those sort of things.

Senator MUSKIE. I was interested in your suggestion of contracting for services. Would you have a different view of a man if he was serving a Government operation under such a contract as against the same man, probably, doing the same service as a Government employee?

Mr. BOESCHENSTEIN. I am not sure that I get your question.

Senator MUSKIE. Let me put it another way. Are you suggesting—I take it that you are—that we could use this device of contracting for services as a way of avoiding the problems of the conflicts of interest laws which are created when we try to employ outstanding people from industry?

Mr. BOESCHENSTEIN. The suggestion of contracting for the services of men came from the chairman, and not from me. I said I thought it was worth exploring. I thought it was more applicable to younger men.

Senator MUSKIE. That would avoid the conflicts of interest problem.

Mr. BOESCHENSTEIN. Under a contract the company has to take major responsibility. I think that is a clear responsibility. A younger man might be influenced because of his connections. The older man who has established his position in a business, who goes into Government service usually does so because he is impelled to dedicate himself from a patriotic spirit, because he wants to add to his record, to his stature, his standing, otherwise he does not come in. He does not come down here to try to benefit his company, not if he comes from a top position.

Senator MUSKIE. I have just one further question.

As to these people brought in from industry, there is the problem of turnover. They have to return to their private businesses. Are we likely not to lose some of them before we achieve all of the value that we can out of their service? There is the interruption of service which necessarily destroys continuity.

Mr. BOESCHENSTEIN. I think that is a very important point, Senator. Unquestionably, service is interrupted down here frequently just at a time when a man has really gotten the feeling of his job. I think that very often that is because he can stand the reduction in in-

come and adjustment for a year or two, but when it gets around to 3 or 4 years or more, then it really gets rough.

He can step out of his business for a year or two very often, particularly if he is a fellow who is on his way up, but when he is away for 3 or 4 years, they close ranks on him and his spot is gone.

Usually a man who does a good job after he comes down here will find that there is a demand for his services in industry. He can locate someplace else. But when he has to make his decision, he is not so sure about that; and then after he is down here for 18 months or so, his company may say, "Well, Jim, you will have to make up your mind to come back here or else we will have to fill the slot."

That is a tough alternative for him to decide to pass up, the prospect that his position will be filled up in his old business.

Senator MUSKIE. Is there an answer to this problem?

Mr. BOESCHENSTEIN. I wish I knew it. I just wish that I knew it. There are many men who do stay. A great part of them find a place when they get through very quickly—often a better place than they had before. But it is a risk.

Senator MUSKIE. Thank you, sir.

I have other questions. I appreciate your testimony and compliment you on it.

Mr. BOESCHENSTEIN. Thank you, sir.

Senator JACKSON. Senator STENNIS, we are delighted to have you with us this morning again.

Senator STENNIS. Mr. Chairman, I really did not expect to be called upon. I do not want to intrude upon any other member's time.

I am concerned about this subject generally. Particularly on the Armed Service Committee, where you and I serve together, along with others, where we have a \$40 billion budget, and the military man may do an outstandingly fine job, in this particular field, in spending large sums of money, but they are not skilled in business practices.

However, we have men like Mr. Gates and Mr. Douglas and Mr. Sharp, as you have mentioned, and others.

Mr. BOESCHENSTEIN. I am quite sure of that; yes, sir.

Senator STENNIS. However, whoever may be elected President this year to serve beginning January will find all or the major part of the personnel will be changed. That is the system. They will have to meet, that is, the new ones, this problem of spending \$40 billion of money.

By comparison, as I understand it, General Motors spends around \$3 billion a year, which is the largest corporation in the world, or that the world has ever seen.

I do not think that there is anything that the administration or the Congress or you gentlemen in business can do which would be of more value than to try to formulate some definite plan on this conflict of interest proposition.

It bothers us greatly on the Armed Service Committee. With what we have on the books now, there is no other way to go about it. We have no definite guidelines.

I wish that something could be presented along that line, something definite that is clear.

The system is not satisfactory to the men who try to serve the Government. It is unsatisfactory to the members of the executive, and to the Congress who have to pass on each nomination.

In that connection, there is another point. As an illustration, we had Mr. McElroy who came in, a very fine man. I think he did a good job, but he was here only 2 years, and then he left.

Getting back to the other problem, take our mutual security program which is worldwide, with billions of dollars spent every year.

When the administration changes, the whole thing changes. We must keep the personnel, if this cold war continues for 25 or 50 years, I think.

Mr. BOESCHENSTEIN. Yes, sir.

Senator STENNIS. You are working in a vineyard here that has few laborers, where much can be done.

I think that it is a bipartisan approach we must use to achieve a permanent, civilian personnel in this mutual security program and in the military, as well as in other programs.

I am close enough to it to know what the problem is.

Mr. BOESCHENSTEIN. I think that there is no more important problem that we have in our Government, and I think there is nothing more important to the country.

Senator STENNIS. I do not think that our military, our political leaders have realized that enough yet, even as we should. And I commend this subcommittee for going into this subject. Thank you, Mr. Chairman. Those are all of the comments that I have.

Mr. BOESCHENSTEIN. I think that the subject you touched on goes back a long way. We have not appreciated the necessity or the importance. Our people have been trained in diplomacy, but they have not been trained upon a broad enough scale to deal with the problems of economics and the problems of trade, and the character of the situation that we are confronted with today. It takes time to build up that kind of trained people, but we ought to be getting about it as fast as we can.

Senator STENNIS. And in these modern times, we will never get there so long as we look upon it as a political matter. That is my point.

Mr. BOESCHENSTEIN. That is quite right.

Senator JACKSON. The mutual security program is one area of the Federal service that should encourage career people so that we have some continuity of experience. Unfortunately, that program has been considered on sort of a year-to-year basis down through the years—foreign aid would end next year and then next year, it would end the year following—and the result is that the persons we have had in the program have not been of that caliber.

Mr. BOESCHENSTEIN. That is right. We want to change the thinking along that line. I think that most of us here have by now.

Senator JACKSON. I was interested in the question that Senator Muskie asked about the young men serving in Government, coming out of industry for 2 or 3 years, and then when they want to go back to their own particular firm, or university, their job is not there. There has been a suggestion that a job placement bureau should be set up in the Government that should be of help to the young men who

are of outstanding ability, so that they would not necessarily have to go back to their own firm or university.

I think that it is a matter of record that many of these able men who come from industry have worked in Government and have not necessarily gone back to their own firm. Is this not correct?

Mr. BOESCHENSTEIN. This is true.

Senator JACKSON. Maybe industry could set up just such a bureau. I did not mean necessarily only the Federal Government. I was thinking that maybe this could be a responsibility of industry as a whole to have some kind of an entity that could be responsible for that, so that where men are in Government temporarily, and want to go back to industry, they could have access to their talents—a clearing-house arrangement. Do you think that there is anything in that?

Mr. BOESCHENSTEIN. I think that the problem is not the really capable fellow, with some experience in Government, finding a position; usually he finds a substantially better position. It is more a matter of unwarranted apprehension on the part of the fellow coming here, than it is an actual fact. As you were talking, I was reminded of a capable young fellow that I know who has just severed his Government connections and who now has a number of good offers. There are a number of management firms which you are familiar with, where there are always opportunities for those kind of people. I would not think that a good man would need a placement bureau.

Senator JACKSON. Really, it has occurred to me that there might be some merit from the standpoint of security or assurance to the young man who comes to Government, knowing that, at least, his talents when he is ready to leave, will be well known. That is where the problem arises in part, does it not? In coming here, he is thinking: "Of course I will be out of the main stream of business, and I am going to be lost."

Mr. BOESCHENSTEIN. It is most difficult to classify these factors and put a clear evaluation on them, because along with it goes the problem of pulling up stakes and moving into another community and putting the kids in school, and running into the housing problem, whether to rent, while you are in Washington, or to sell your other home. Those things all go together in creating uncertainty and apprehension.

Senator JACKSON. I want to ask you another question, which is in line with the need to get not only outstanding men in Government, but to get them to stay in the top political posts for a period of time. I wonder what your reaction would be if the Senate adopted a resolution in which it was indicated that it was the sense of the Senate that in nominating people for top positions in the national security field, that it would be reluctant to confirm people for top positions who are not willing to stay for a reasonable period of time, inasmuch as the Senate does have the constitutional responsibility to pass upon the appointments by the President. We do not want to interfere, naturally, with the broad constitutional powers of the President, but we also have the constitutional power to give our advice and consent. I am speaking now in a broad sense.

We will have a new President next year, in any event.

And if we were to pass such a resolution this year, it might be helpful to the new President in selecting top men of caliber, to know in advance that if you come down here you will serve 4 years, and not

serve a few months or a year or two. What would be your reaction to that?

Mr. BOESCHENSTEIN. My judgment is that that would be a deterrent. A man does not want to feel that he has to make a commitment when he moves into something that is unknown.

Senator JACKSON. I am limiting this now, you see, to the critical positions, not to every Federal position. I am thinking of the key, the important jobs in the field of national security.

Mr. BOESCHENSTEIN. Generally, I think that this must be emphasized when a man comes in, but I think that if he thought that there was such a formal expression on the part of the U.S. Senate, he would feel then that he was taking on an obligation or a commitment to stay for an established period of time, irrespective of circumstances which might develop, the uncertainties that he cannot anticipate. I know of a fellow I helped to bring down here for a very important Defense Department post; 4 months later his wife developed cancer. He had a reason for leaving.

Senator JACKSON. I meant a compelling reason.

Mr. BOESCHENSTEIN. And you have all kinds. That is an extreme example, but you have all kinds of circumstances. And I think that that would serve as a deterrent to these people, rather than a help.

Senator JACKSON. If there were compelling personal reasons, that would be one thing, but what concerns us, that is, some of us on the committees that pass on these people who are appointed, is that we know in advance that they are only going to stay 18 months, or 24 months. And I think that if they have a choice between two outstanding people and one can serve the full period, assuming that you know that, and there is not any real reason why he cannot, is this not a more desirable situation?

Mr. BOESCHENSTEIN. It is, sir. More desirable. I do not think that is the way that you will get it. I believe, for example, that when Mr. Gates and Mr. Douglas came down here, they anticipated much less of a period than they have had. They have moved on from one position to another.

Mr. McCone came down here, and he has remained on. I am sure that he will stay on as long as he is wanted and needed.

A great deal depends upon the man.

I think that by setting up yardsticks, that might be considered pretty rigid, you might have it serve as a deterrent rather than a help.

Senator JACKSON. That is the last thing that we want to do, is to make rigid standards, but to give some expression of concern about the turnover. Frankly, I think it is better not to appoint people to serve 18 months, 24 months. The turnover in the Pentagon has been enormous, as you know. They are still briefing them when they leave.

Mr. BOESCHENSTEIN. I have been through the whole gamut of that. That has been true through the whole period of my time.

Senator JACKSON. I am not referring to any one period of time. It does not make any difference whether the next President is a Republican or Democrat.

Mr. BOESCHENSTEIN. He still has the same problem.

Senator JACKSON. That is right, and both political parties are guilty of appointing these people because the first consideration sometimes is given to what they did in the campaign. They come

down here with the idea that they will receive a lot of prestige, and that is fine for their wife, and so on, and then they leave. I say that both political parties are guilty of that sort of appointment. What we are trying to do in this broad area of national security is to see if we cannot get some of these people who are dedicated and determined and are willing to stay a longer period of time. Of course, this resolution would not be a straitjacket. It is merely to indicate the concern of the Senate over the turnover in personnel in key national security positions. I think too often they come down—and I emphasize again under both political parties—with the idea that, “well, I am going to get a job in Washington—it will be nice for a couple of years—it is very intriguing,” and then they leave.

Mr. BOESCHENSTEIN. I do not think those kind of people ought to come down, in the first place.

Senator JACKSON. But they are coming.

Mr. BOESCHENSTEIN. I think that we have got to try to persuade people to come down for these top spots because this is of such great importance and such a challenge to them that they want to come. But I think that one of the things that you get into—one of the reasons some of these people leave, to be perfectly candid about it, and we might as well recognize this fact—is that they are not fitted temperamentally, they have no political feel and sense, they cannot take the pressures—they do not understand the political give and take of Government service. And then when some of them come up before the Congress, somebody tries to beat them over the head. And they spend so much time testifying before committees, they spend so much time in interagency meetings, and in various policy and contact groups and what have you—that they feel frustrated. They feel ineffective. They get the heeby-jeebies. Sometimes they stay up too late at night, too. A friend of mine once said that it was “not the per diem per day but the per noctum per night” that compelled him to retire.

Senator JACKSON. You have stated it very well. I think that you have given an accurate description of life in official Washington, especially those who come down for these special assignments.

Mr. Pendleton.

Mr. PENDLETON. Mr. Boeschenstein, there is one question that I would like to ask. You referred to the *Mills* case.

Mr. BOESCHENSTEIN. Yes.

Mr. PENDLETON. In that case, by statute, there was concern with stock ownership. I believe that situation applies in other cases for the regulatory bodies. In many cases appointments are made to Federal positions where the law does not have any provision covering stock ownership. Yet a practice has grown up in some of the congressional committees to investigate a man's portfolio before he is confirmed for these positions.

I think in many of these situations it has become a burden on the appointee and on the committee which is trying to exercise judgment without statutory guidance or without any clear definition of what its responsibility may be.

Do you have any suggestions or thoughts in regard to that?

Mr. BOESCHENSTEIN. I have tried to indicate what I think about it but I believe there must be a clarification of the statutes, because everyone is interpreting them according to his own lights and, with-

out disrespect, demagoguery of the worse kind is resorted to some of the time. It is onerous to honest people, dedicated people to have everything they own, their whole works, exposed and then impugned one way or another, for no good purpose, so far as they are concerned. If they are not having to deal with things that conflict—if they have no procurement power, if they have nothing to do with anything that relates in substantial part to their interest, there is no point to it. It is onerous to them. And these statutes will have to be clarified for better or for worse. Then we do not have to rely upon interpretations by various individuals.

These interpretations happen in the executive as well as the legislative areas: if you do not get hit in one place, you may get hit someplace else.

Mr. PENDLETON. Thank you.

Senator MUSKIE. What would you say, where we can get an oversupply of people anxious to run for the House and the Senate, why it is almost impossible to get people for these appointive positions?

Mr. BOESCHENSTEIN. Perhaps it's because you do not have as many statutes applying to you.

Senator JACKSON. We can change them when we get here.

Mr. BOESCHENSTEIN. I think that you are entitled to be treated with respect. And I think that some of these other people are, too. I think that they are entitled to that.

Senator MUSKIE. Maybe if it was more selective, we could get more selective people.

Senator JACKSON. I wonder if you would care to comment on the role of the citizens committees. You have served as the chairman recently of one. What is your general idea about their helpfulness and drawbacks, if any? Would you care to comment on that?

Mr. BOESCHENSTEIN. I cannot speak for all of them. I cannot speak for the purposes of all of them.

The Business Advisory Council has been a very helpful instrumentality, frequently in an informal kind of way. It has no authority. It operates through the Secretary of Commerce and, at his request, has also served the State Department, the Treasury, and the Defense Department very extensively. It has done a good job to locate and to help recruit people, in persuading companies to let their people come here. I believe that over a period of time the Members have become very jealous in maintaining the highest kind of record of integrity and complete honesty in Government. I think there are other groups of that kind.

I think that another group that has quite recently come into being is useful, the Business Committee for International Understanding, which has set up a training course previously mentioned. And people from the State Department and some of our missions abroad, as well as business representatives of companies operating abroad, are invited and urged to attend. They get some weeks of background in culture and economics and languages, and a better understanding, so that they are better representatives of the country. I think that those things are good. I think they are very good for a better understanding of our own Government.

Of course, we have had people on various advisory and other committees and in the War Production Board who put their interest in

their own industries or their own companies ahead of the country, but show up pretty quickly and are put in their proper place, just like that.

Senator JACKSON. That is something that one has to anticipate, whether it is in the Government or wherever it may be.

Mr. BOESCHENSTEIN. Yes.

Senator JACKSON. Are there any further questions?

If you have anything that you would later like to add to your testimony, the record will be available to you. You will have a copy of it, and we will be delighted to have any additional comments that you may care to make.

Mr. BOESCHENSTEIN. Thank you.

Senator JACKSON. We are very grateful, as I said earlier, for your appearance. You have been very helpful. We probably will be calling on you later for some additional advice and counsel.

Mr. BOESCHENSTEIN. I want to be helpful in any way that I can. Thank you very much. You have been most courteous and considerate.

Senator JACKSON. Thank you. You have been very helpful to us.

Our second witness this morning is the Honorable Roger W. Jones, Chairman of the U.S. Civil Service Commission. I think that I may safely say that no man in Government today better represents the finest traditions of service to our country.

Mr. Jones entered Government in 1933. From 1939 to 1959 he served with distinction in the Bureau of the Budget. He was an Assistant Director and Deputy Director before being appointed to his position in March of last year. It is no surprise that Mr. Jones was one of the first to receive the President's Award for Distinguished Federal Civilian Service and one of the first to receive the Career Service Award of the National Civil Service League.

We are very pleased to have you with us this morning, Mr. Jones. We will be delighted to have you proceed in your own way. I understand that you do not have a prepared statement.

STATEMENT OF ROGER W. JONES, CHAIRMAN, U.S. CIVIL SERVICE COMMISSION

Mr. JONES. Thank you very much, Mr. Chairman. I do not have a prepared statement. The reason why may seem a little peculiar. I felt that I could not do the kind of a job that I wanted to do for the committee if I had to stick to a prepared text.

Senator JACKSON. We do not have any set rules. You just proceed in your own way. We are delighted to have you with us and have the benefit of your invaluable comments on this important problem.

Mr. JONES. Mr. Chairman, the committee is concerning itself with matters to which I have probably given more attention over a period of years than almost any other one subject in connection with my official duties. Consequently, I do have some degree of experience and a high degree of conviction about this whole problem of obtaining adequate, competent manpower for the Federal Government at the political level and at the career level, and at a third most important level, at the level of the folks who advise those who are here in either the career or political posts.

I recognize that the committee must deal with problems which are primarily concerned with the national security. That, however, I

do not think removes the inquiry from the broader considerations of similarities between national security problems in the personnel field and similar problems in the other agencies.

We have made some effort in this country to adopt a position of maintaining that on national security matters we rise above partisan politics. In fact, this is often true. And certainly it becomes true when we have a serious incident of the kind that recently has plagued us. We find in the morning newspapers an account of the majority leader of the Senate making it perfectly clear that there will be no partisanship in the way in which this matter is handled.

There has been stressed this morning the necessity for bipartisan-ship in our foreign aid program—in programs pertaining to foreign policy work. In very much the same way, I think the same type of consideration should pertain to our defense picture.

I may be unrealistic because I am a product of the career service, but I think that in the fields in which you are looking, Mr. Chairman and members of the committee, we could do more to remove participants from the area and the arena of partisan politics.

This, however, means some rather considerable changes in attitudes of our political parties and our political leaders.

I do not suggest that we should depart from the concepts of some degree of partisan regularity in the major policy officers who are attached to the administration. To do this, I think, would be a very great mistake.

I think that it would build irresponsibility and give a false sense of security which would not be justified. But I do suggest that if the administration be Democratic and the principal appointees to the Department of Defense be Democrats, or vice versa; if the administration be Republican, and the chief appointees are Republican, that they could quite effectively be removed from the arena of partisan politics by taking them off the speech circuits for one thing, and by removing them from the necessity of having to make essentially partisan defenses of their policies before committees of Congress.

The witness who preceded me indicated that all of us in the executive branch from time to time, if in policy positions, must expect to give reports of stewardship in detail and at length to the committees of Congress. With this I most heartily concur.

I believe, however, there can be a greater degree, particularly in the national security field, of agreement prior to the time of hearing reports of stewardship, as to what is going to be covered, who is going to cover the ground, and how to share responsibility for keeping things in focus and the effort on the track.

I would dislike to see a day in which America took the position that it was not the proper function of Congress to investigate, to question, and to do so in a most searching manner into the discharge of the executive responsibility. This is a very necessary concomitant of our entire democratic philosophy in our system of separation of powers.

But I do make a plea for more responsibility at both ends of the avenue as to how we approach this in the national security field.

I will come back to this later on, if time permits.

Mr. Boeschstein said he had some experience with senior career people which led him to have some doubts and possibly some worries

about the extent to which we can depend upon career people to serve in a policy capacity. I have no doubt that this is the case. I think, however, that here again we are growing up. The sort of lesson we learned under the spur of necessity in World War II has taught us to be more sophisticated in attitude of mind toward our career service.

In a strange kind of a way, perhaps one of the best services that could have been done for the career service was performed by the second Hoover Commission Task Force on Personnel and Civil Service when, in their efforts to keep the career man, particularly the senior career man, free of contamination of politics, they suggested a course of action that would also remove him from any contamination of policy.

I think I was one of the first people to inveigh somewhat heavily against this approach. Perhaps I have succeeded in convincing a few people, including some folks at this end of the avenue, that the politics of policy and the politics of party in the departments and the work of the departments should be kept distinguishable, and clearly distinguishable, and furthermore that the senior career man who is unwilling to concern himself with the politics of policy should not be in a senior career post. He should either remove himself from the scene completely and find his destiny elsewhere, or he should be content to remain at middle levels, where policy questions are not his concern.

The Congress itself over the years has done much to respect this attitude of mind from senior career people.

Because of the turnover in policy jobs, to which the chairman has referred, there has been an increasing dependence upon senior career people to provide continuity in reports of stewardship, if nothing more. And I do not complain about this. I think that it is sound, because it gives the career man a sense of responsibility and sets him in a framework which brings out the best in the senior career people.

The reverse item of the coin, of course, is where to stop the career man. If he intends to fill or is permitted to fill the vacuum which has been created on more than one occasion by too rapid turnover in partisan politics, our system may be in trouble,

I wish that I could give you a simple answer to this dilemma. I cannot. I can, however, make a suggestion or two which grew out of considerable thought and conviction.

The committee is, I am sure, aware of studies that have been made of this problem of turnover in senior positions in the Federal Government, particularly in the political policy officers. I believe I am not shocking you when I indicate that that has dropped now to a point which I, as the chief spokesman for the career service, being Chairman of the Civil Service Commission, find extremely dangerous.

If the figures recently collected by Harvard are correct, we now have a tenure of office in senior political appointees of only, approximately, 1 year. I submit that this is a political problem, and we have got to approach it exactly in that fashion.

The reasons for the reduction in tenure of political officers are not entirely because they are thin skinned and that they get kicked around by Congress and the press and the like, or because they are missing higher kinds of compensation or fringe benefits, or having difficulties as to conflicts of interest.

Those are all in the picture, yes. But in part those are not as important factors, in my mind, as two other things, I do not know whether they have been brought to the committee's attention.

The first, and perhaps of less importance than the other, is the feeling to which Mr. Boeschstein referred—frustration which very rapidly overtakes the policy officer in the kind of world in which we live today.

I believe that this policy frustration grows out of a lack of readiness for Federal service and a consistent lack of information about the kind of environment in which he is going to be operating.

This is a problem of communication and of proper indoctrination, and it is a problem of training which our two major national party committees will have to take unto themselves.

The second reason, which I think has not been very much referred to hitherto, for rapid turnover is a different kind of thing. It is very difficult for me to put it into words, but it grows out of a belief by the policy officer that if he stays beyond a certain point he, too, will become contaminated with politics in the partisan sense, in a way which will interfere with his subsequent business or professional career.

I have had no less than a dozen people tell me this over the course of the last 7 or 8 years. As recently as this last weekend, I had such a conversation. I tried to get permission to quote my informant this morning. He asked me not to do it, because he was afraid that quoting him by name would make it appear that he was critical of the Cabinet officer under whom he had served, and who had attempted to get him to fulfill a somewhat more partisan role than he considered professionally to his advantage.

We must remember that by and large our so-called political officers today, are not politicians, in the whole sense of the word. They are not men who have dedicated their lives to participation in the political process in connection with partisan issues.

Many of them have never run for elective office. Many of them have never held appointive office within their own parties, except on a nominal kind of basis, perhaps as a member of the town committee or something of that sort.

This is in sharp contradistinction to the men who made up the Cabinet and the sub-Cabinet offices, in the course of our history right straight up to about the time of World War I.

The change began to come at that time. It came at that time in part because the responsibilities of Government began to grow very, very rapidly. And as they grew, there came to be a greater need for the expertise which could be given only by men who had been trained in the free enterprise system.

It came also for another reason. That was because we had broadened the base of our involvement in the American political process through the revolution in communications that has come about in our own time.

Time and space have both been collapsed by communications.

It was a very easy thing to avoid politics when there was no need to do anything other than to refuse to read a given column in the newspaper. Today we cannot do that. We do not seek to do it. Politics comes into our lives at every level of Government and outside of Government, everywhere we turn.

The radio, television, newspapers, periodicals, conversations over the luncheon table, at the dinner table with our friends all touch upon politics and national issues constantly. Politics has become part and parcel of the American way of life. And this is good—tremendously good.

If we talk about political issues, we find ourselves constantly sitting in judgment on the political problems, but what we do not do, and this is true of career people as well as people on the outside, is to put ourselves in the position or in the shoes, I should say, of the persons who have to make the political judgments, and to think "What would I do if suddenly I had this responsibility?"

It is something about which we are interested, but which we do not feel a part of.

Here again the process of political education that I think we are going to have to adopt comes in.

I have been somewhat leisurely in my remarks up to this point, because I wanted to develop this in order to make what I hope will be four points.

Senator JACKSON. You may take your time.

I want to say at this point, if I may interrupt, that I admire your rugged candor.

Mr. JONES. Thank you, sir.

The first of these points that I would like to make is this: We need to ask both of our major political parties to do some soul-searching. And in the process of that soul-searching, to agree that they will, in turn, do three things: Look carefully among the rolls of their adherents and find men who, by training, experience, community standing, known integrity, known aptitude for being able to take it on the chin, would make good Government policy officers, if you will. Let them make that choice.

And second, they must undertake the responsibility of seeing to it that these people, in spite of their known predilection to one point of view or another with respect to politics and political issues, have a basic understanding of how these attitudes of mind—how these approaches of policy and principle are used on the national scene, and why, if they become part of the national administration, they must come down here primarily as policy administrators, not the captives of the special constituency of the particular agency to which appointed. They must come down here as loyal lieutenants of the President of the United States whom they must serve and whose views about the principles and aims of his party they must put in the forefront of their own consideration and discharge of their jobs.

In other words, I am asking our major parties to teach an understanding of what the party stands for before they appoint people to office in Washington.

Third and finally, the parties themselves should tackle this problem of turnover. Our political officers do not stay long enough. That is manifest.

The experiences of the Department of Defense, which has been referred to in the committee's report, published last January, is more favorable than that of some other departments.

The impediments to a long period of service are all those which have been laid forth before the committee in the testimony of others

than myself, and in the very able staff work that has been performed. I do not think that you have to worry too much about questions of compensation, when it comes to the major Cabinet officers themselves.

But, gentlemen, there is a vast difference between being the Secretary of Defense and being the Assistant Secretary of the Army. You can always get men of integrity, foresight, courage and vision, of ability, to become Cabinet officers.

You cannot always hold the standard quite so high for men in subordinate posts unless you are prepared to meet some of the kinds of criticism which have been made to this committee. And conflict of interest is only one.

And in this respect our American businessmen are getting far too thinskinny, in my particular view.

What you have to do is to look long and look hard and convince these people that the obligation of Federal service has got to be something other than the in-and-out-in-12-months' philosophy. Whether we like it or not, the complexity of the job we have to perform today—and in this I can speak with complete authority—does not permit a man in a major policy post to make very much of a contribution, short of 1 year. It takes 6 months—literally that long—to get his feet on the ground, and another 6 months to get to know how the system works and to deal with the major issues, so that the full impact of his training and experience and everything else can make a contribution.

There are thousands of personnel equations which have to be learned. There are thousands of methods of doing things which have to be mastered and which are quite different from those they have had before. After 12 months he is in a position where he can begin to make a contribution, and his contribution goes up in better than arithmetic progression thereafter every month he stays on the job.

I will come back to what I said earlier.

If we constantly have this system of turnover, in which the ever-changing professional policy officer departs as soon as he gets briefed and the career serviceman gets adjusted to working effectively, and you start all over again, you are going to find career service people are going to do one of two things, and maybe a little of both. Either they are going to do exactly what Mr. Boeschenstein said had happened in some cases—they are going to pull in their necks and not want to get committed to any kind of policy lest they find themselves out on a limb from which there is no retreat, or, alternatively, they are going to get so careless about this whole system that they are going to assume that there is no particular need for putting out, because the new bosses are not going to be here long enough. Either course leads them to appear inefficient and tempts them to provide continuity by simply filling the vacuum as inconspicuously as possible.

You could perform no greater disservice to the responsible senior career service than to give them the opportunity to do either one of those things.

I repeat, gentlemen, this is a political party problem that our major parties have got to face. You cannot put all of this burden on the President of the United States. We know how hard it is if he calls you on the telephone and asks you to do a job, or if he has one of his assistants do that, but what better position could you put him in, if each party took over the job of seeing to it that folks were not only

capable of working together, but agreed to stay and have the necessary political indoctrination before they got here. And after they come, we can do a better and a more responsible and a quicker job of agency and governmentwide indoctrination. And that we are beginning to pay some attention to.

If I may turn to another kind of problem for a moment, the suggestion has been made that part of the trouble with our career service in Defense and elsewhere is the difficulty of getting rid of people.

In a civilian service setup of about $2\frac{1}{3}$ million people, something within the neighborhood of only 17,000 firings for cause per year, would seem to make the case self-evident.

Here again, I would submit to you that we are dealing with a very strange phenomena. We are dealing today with the situation in which being fired from a career job in the Government of the United States carries with it a lifelong stigma. I say this with a great conviction; and I say it with a very great regret, and with the greatest of apprehension for the future unless we turn this thing about.

A man can be fired by the Hecht Co. or the General Motors Corp. for any one of a dozen reasons which have nothing to do with his basic competence at all, and he can turn right around the next day and be hired by Studebaker or Woodward & Lothrop, with no stigma attached.

I submit to you that a man who is fired by the Quartermaster Corps of the U.S. Army lives under a cloud from then on. If he is fired by the Secretary of Defense, the cloud is even greater.

Within his own community he finds himself almost an outcast.

I am not going to try to say what has brought this about. I do not know. It is too easy to oversimplify. But the result is unjust to the individual, just as the complicated procedures for dismissal for cause can also be unjust to the agency.

This second problem grows out of the difficulty of the mechanics of firing people either for incompetence or because they do not fit into the picture. There is no method for making changes simply because the situation is one in which you need new faces.

So long as we must have on our statute books the precise procedural arrangements that are now part and parcel of the law as to preferences for veterans, and which are increasingly by the courts being applied to nonveterans—just so long are we going to interfere with simple, equitable processes whereby we can get people out of the picture.

I am not asking for power to fire career people for partisan reasons or anything else of that sort. I do not think that we should do that. I do not think that we would. But I do suggest that perhaps if the Congress and the executive agencies will take a little bit more charitable view of giving administrators more discretion as to the kind of people they need, we could keep our Federal service more responsive to its needs by some personnel changes without interfering with the advancement of the competitive civil service.

I am not afraid of the spoils system. It is gone. I think it is gone for good.

No responsible administrator today could stand even before his own party for very long and take the attitude of mind that, "I do not want anyone working for me unless he is a good Republican," or "a good Democrat."

But I do think until we simplify discharges and until we do something to remove the supposition that if a man loses his job in the Federal Government that he is stigmatized as being unfit to do anything else, we are going to have increasing trouble.

The next problem I have to take up has to do with pay. We cannot expect, and we should not expect, that Government compensation levels are going to be directly competitive with American business and industry, particularly at the top. This would be too much for the American people to accept, and properly so, in my judgment, because there are many, many intangible benefits of Government service that should not be measured in terms of dollars and cents. But we should have reasonable comparability, and in the lower grades, equality.

You will never have any difficulty getting Cabinet officers for \$25,000, partly because there are enough men in American who can afford to be Cabinet officers at \$25,000 and partly because those who are not perfectly able to afford it, will do so because of the honor and the prestige of the job, and the feeling that in this kind of service they will have done a little bit for a way of life to which every one of them is dedicated.

However, if we stick to traditional views, we have to raise the Cabinet salaries, and with them the salaries of the Congress of the United States, which has adjusted its salaries only five times in a hundred years. If you can point out to me any industry or business that has waited for 20 years, on the average, for an adjustment of its salaries, I will be very surprised. The American people expect that the Members of Congress are going to be at least comparable in pay with Cabinet officers, although for a long time, as you, know, their salaries were somewhat below that of a Cabinet officer. I think it is time that Congress stopped being afraid of the salary issues with respect to executive compensation and treated themselves and the executives of the executive branch, and necessarily some others, in a manner which is more directly comparable with what happens on the outside.

And only by so doing can you put a ceiling on salaries below the top Cabinet level which do make you comparable enough with private industry to get the kind of people that you want.

There are other impediments, such as pulling up roots to come to Washington, buying a house, or renting an apartment, changing the locus of your family. Those are things which I think the Federal Government should pay for and should pay for directly. Industry pays moving costs. So should Government. It should also give the man an adequate salary to do the job he comes to assume.

I am not asking for anything specific at the moment, nor am I indicating that this involves \$2,000, or \$5,000, or any number of thousands of dollars. I think it is a matter that could be gotten at very quickly through proper committees, and would cost far less than many Members of Congress feel.

I would suggest, for instance, that for less than \$20 million a year we could straighten out the entire top salary structure within the Federal Government.

The fringe benefits of the Federal Government—and I do not like the term that is in common usage—are good. The fringe benefits of industry for executives are even better.

What should we do about asking a man to come into Government for a period of 4 years, and to interrupt the security which he is building for the future through the other benefits, when the Government gives him nothing except social security for that period of time?

Remember, he has to stick around 5 years before he comes under the Federal Government retirement provision. I do not believe that it is asking too much—that it is contrary to the American principle and ideal—to arrange for our major political officers to continue whatever kind of a supplemental retirement system may exist, in addition to social security, when we ask them to come down here and serve 3 or 4 years.

It will require, of course, the Federal Government to make the contribution to an outside retirement system, but I find nothing particularly wrong with that.

It leads, of course, directly into the next question, which is the question of conflict of interest.

Here again, at the risk of oversimplifying, I would state that this pertains to three major problems. What kind of a life has a man led before he comes to public office or is nominated for public office?

What may he do while he is in public office?

What may he do or, perhaps better stated, what must he not do when he leaves public office?

As to the first, he must be publicly acceptable and must not be unfit for the proposed office. I suggest another thing, too.

I have no pride of authorship in this idea. It has been laughed at by a good many people, but I still think it is the nub of something worth while.

I find that the willingness of many segments of the unthinking American people to say that it is all right to cause a man to take a loss of several million dollars for the privilege of serving his Government, simply because he can afford to do that, is not a reflection of the basic belief of America in fair play.

Neither do I think when you ask a man to divest himself of all of his interests, his financial interests, in a given company or a given line of enterprise, that you are necessarily divesting him of a continuing interest in that company or in that line of enterprise. If anything, you are probably increasing his interest in it.

Into the bargain, you are making a kind of martyr out of him that may go well for the moment under the pressure of public duty, but does not over the long period of time.

I personally believe that we could undertake to have within the executive branch and, if necessary, within the legislative branch—although I think that the two should be entirely separate—advisory services to the President and to the committees of Congress on the man's portfolio. Probably some divestments could and should be made under given circumstances, if the man was going into a certain line of work, but I do not think that the association of one part of a portfolio with another means anything at all.

But even if they do mean something, I think that this could be managed very simply by the device of turning that portfolio over to completely disinterested managers for the period of the man's service in the Federal Government.

Some of the committees have opposed this idea on the grounds that it is asking too much to assume that there will be no contact

between the individual and the person who is doing the portfolio managing. I think that can be very simply arranged by doing it under a Federal statute, or under a Federal instrumentality setup outside of the ordinary organizations of the Government to do it, with adequate safeguards against interference.

I would not have the Secretary of the Treasury do it. Some people have suggested that.

Above and beyond that, I think that we need very much to clear up the present conflict-of-interest statute along the lines of the New York bar report. They have, perhaps, for my money, at least, overstressed the part of advisory people, part-time folks, the consultants, and have adopted a little bit too tight a rein on the people who come down for full time, but perhaps this is just as well, because it is easier to modify things that are too tight than it is to make them tight after you once get them in.

When a man is here, we have never yet examined enough the concept of permitting him to dissociate himself from policy decisions affecting his prior interests or work. Obviously they affect the way of life which he has dedicated himself to on the outside for many years.

I think that we should try it. I think that we should try it in a goldfish bowl, by public announcement in the same way a judge occasionally makes a public disqualification of himself in a given case.

If you think this only pertains to the man who comes in to serve in a political post, I think that you are wrong.

The same kind of thing applies with equal force to the senior career people. Theirs is the problem of bona fide investment versus conflict of interest.

I do not like to be personal, but I know of no way to illustrate this except by being personal.

In the 9 years in which it was my privilege and honor to serve as Assistant Director for Legislative Reference of the Bureau of the Budget, I felt that the present conflict-of-interest statute made it quite impossible for me to own a single share of common stock.

Was this a reflection of fear? In part it was, fear or uncertainty as to how the laws might one day be construed, but more it was a reflection of what I considered to be proper ethics in the face of unclear statutory standards. Someday someone might try to draw a line of association between some action of mine and some knowledge that I might have had.

In order to test the case I did this: On the basis of information which I might conceivably have had in advance, any public knowledge as to what a congressional committee or the President was thinking, I made hypothetical investments of a thousand dollars, and then waited to see what would happen, what the possible impact of that knowledge upon movements in the stock market might be. In every case except one, I could have made a very substantial amount of money. I did not make actual investments and I am glad that I did not. Future events might have made it impossible for me to say whether I had advance information that might be tied to market movements. But this prevented, or so I thought, any kind of investment except Government bonds.

I do not parade myself before you as having any virtues for not having done this at all. I simply say that this is the dictation of a

prudent man in a situation in which he could not foresee either what public reaction might be, nor could he foresee how the confused language of our present conflict-of-interest statutes might be interpreted at some future time. I think we need some means for protection in such cases.

The career man today and the political man do not know really what they are permitted to do on the outside. In many instances, he does not know that he can even give a lecture for pay at a college without getting himself into a certain amount of difficulty or, as we discussed the other day in a meeting with your staff without taking annual leave. Such activities should be permitted.

I think that some of the things that the New York bar is recommending would straighten out that kind of situation.

Basically, I agree with Mr. Boeschenstein that you cannot legislate probity or morality or a high sense of ethics. What you can do is put on the statute books language which is so clear and so unequivocal that reasonable men will be willing to say how they believe the courts will interpret that language. And I defy anyone to do that with the present conflict-of-interest statutes.

Furthermore, we can recognize that the present statute was put on the books, primarily, to protect the Government against lawyers and others prosecuting claims against the Government after they left it, and to protect against narrow selfish interests stepping in and in effect subsidizing a man to represent their point of view before the Government. In those days the Government programs did not run straight across the entire spectrum of American life as they do today.

It is utter nonsense today, under the provisions of law which the Secretary of Commerce has to administer, to take the point of view that there is not a responsibility on the part of the Secretary of Commerce to be the spokesman for American industry. Of course, he must be. And if you will examine the general authorities of the Secretary of Agriculture and the Secretary of Labor you will see that there is a specific statutory provision for them to be special pleaders for American agriculture and American labor. It is part of their statutory duty, but the conflict-of-interest statutes could confound them in ways not intended.

I urge simplification. It is most essential in the field of national security.

The final point that I would like to make less one has to do with, shall we say, the problem of getting better understanding and a wider understanding of national policy. This is essential in the Department of Defense. And under our security program, it is, perhaps more essential where foreign policy is concerned. I do not think that we have done a very good job of it. It does not get into the question of public release of security data.

There are many things about our defense program which we cannot talk about, some of them even in executive session with the Congress, but I do believe that if we would work harder at the job of explaining what our national policies are and with what our policy offices must concern themselves we would be better off.

Furthermore, I think that when we adopt a new policy or a change in policy it should become a matter of formal indoctrination and training pretty much across the Government.

In the last 2 years we in the Civil Service Commission and the other staff agencies have been thrilled—and I use that word advisedly—by the success of an experiment which the Brookings Institution has undertaken with a grant from the Ford Foundation. It is a program where executive conferences are undertaken away from Washington at Williamsburg. Some 300 senior career people in groups of about 20 at a time have been brought together to examine individual experiences and conduct of their jobs, and to get a better feel for the major issues which face the country.

We have brought out a climate of cross fertilization of thinking, of opinion, of understanding of national interests, which could not have been done except by such formal meetings.

I think the same kind of thing needs to be done on a very much broader basis by the members of the Cabinet and the people behind them.

Despite the fact that the Eisenhower administration has formalized the machinery of the Cabinet and reduced many Cabinet issues to papers which have reasonably wide circulation in a way which I think is unique in our history, which may have great value for the future, I do not think that this is the best way in which to bring about final indoctrination in national policy issues at the subordinate levels. Cabinet papers should have very restricted circulation but explanations of policy could be widespread. I think subordinate policy officers should stop being afraid of going to school.

In our job set up, for the policy officers and senior careerists alike, we should have discussion, and an explanation of, and at times, even debate of major policy decisions, so that they can be understood and properly applied. It is nonsense for us to assert that a decision on contracting in the Department of Defense, whether it be in the field of "Buy American", or almost anything else, has no implication for the Department of Labor and Department of Commerce and the Securities and Exchange Commission, or even for that matter the Civil Service Commission and the Bureau of the Budget. They do have. We should also give ourselves the job of keeping people abreast of what is happening. In the field of foreign policy, an American businessman who wants to open an office overseas today cannot come to one place in Washington and find out what his Government expects of him, to say nothing of the fact that American business through its trade associations, like the chamber of commerce and the National Manufacturers' Association, has never attempted to tell its Government the kinds of opportunities that it seeks abroad. There is a vast field for cooperation here.

At the same time, we need better training and better indoctrination of people who will someday do this work—perform the policy jobs.

Coming down to one minor subject on this, the question has been raised with the committee, how do you get young men in industry to come in and serve?

Can we bring them down here on a kind of internship preparing them for ultimate major policy responsibility when they become older? I not only think that we can, I think that we should.

This, too, is probably going to take some adjustment of our conflict of interest statute. And it will take adjustment of some other things. But here again, with careful experimentation, in which the Congress

could, certainly, share full knowledge, if they cannot participate, we should undertake a system of having working interns coming from American business and industry into Government for 2-year periods of service, possibly 18 months, without any loss of seniority or pay status in their own companies in order to learn the internal workings at middle levels of Government without which 5 or 10 years hence they cannot quickly serve effectively as major policy officers.

I would like to see a program set up within the Department of Defense whereby you could absorb as many as 50 a year, men who are brought in because they are directly concerned in private life with matters of direct concern to the Department of Defense, as a matter of public interest and the like.

Senator JAVITS. Would you yield at that point? There is a man named Fulton who works for the Stanford Research Institute in California who wrote a plan like that, a plan called Attap. He had been looking around for somebody to carry it on. Do you think that it would be feasible for your Commission to take a look at that with a possible view of utilizing some idea that the Commission might work out?

Mr. JONES. Perhaps, so. If I have any hesitancy, Senator Javits, it is because the Civil Service Commission, if anything, is overcommitted at the moment in the field of training people who are already here on the job. I would much prefer to see some kind of coordinating mechanism whereby this could be done by the Departments themselves.

During the war we did this kind of thing. If we required a specialist in the cotton textile industry, we went to that industry and we asked them to lend us a man who was an expert. And he came in to the War Production Board, or into the Department of Commerce, or some other place, and nobody thought anything about it. But now we seem to think that if you do that kind of thing—if you go to any kind of given company for such a man to come in—either you will have a man who will have such strict instructions from back home to grind the ax of his particular industry or, alternatively, you will get someone who is a bit of a nincompoop.

I think this takes a very awfully narrow view of American concept of service to government and of government capacity to hold up a man to a standard of conduct and work which will, if necessary, pull forth something above his private interests.

Gentlemen, in 27 years I have seen man after man after man come to major political posts with a narrow parochial interest. After having been here for a few months, he rises above that and often has transcended even necessary partisanship in his desire to be a good American. I do not think that we have to expect that we cannot get effective and objective service from the juniors. They need to get their feet wet in the processes of government at an early age and to understand it.

Everyone of you who has had an intern in your office knows that by and large those people have been able to make a contribution to your work on behalf of the Senate of the United States and on behalf of the constituency which you represent. Certainly, we have done this with our own career interns. We want to keep them in government, but some of them we have recognized from the beginning we were not going to keep, but were going to train them first, then send them back into industry.

Let us turn it around. Industry can send some of its best to us for 18 months. We can give them the kind of training they cannot get anywhere else, which will stand them in stead when the day comes to call upon them for longer service.

Senator JAVITS. Have you looked over this bill that I introduced on the conflict-of-interest recommendations by the bar association, which is S. 3080. Unquestionably, your agency will comment on that, but I just wondered whether you thought that contained adequate latitude for these interns that you are discussing.

Mr. JONES. I am not sure that it does. In fact, I am pretty sure that it does not. That is a problem that I want to talk over sometime with either Professor Manning or Mr. Perkins because there are still some parts of the language in that bill that bother me from a practical operating point of view. I do not think that they are such that they cannot be adjusted.

Senator JAVITS. Has your agency reported on it?

Mr. JONES. I will have to ask Mrs. Wenzel, who is the Executive Assistant to the Civil Service Commission, to answer that.

Senator JAVITS. I hope that you will get your report in very promptly.

Mrs. WENZEL. We will check on that.

Mr. JONES. The final point that I would like to make this morning, Mr. Chairman, is this: We are going to be faced in a very few months with a transition from one administration to another.

The witness who preceded me, and Senator Stennis who has left the room, indicated that most of the present administration would be gone. I think that is just as true whether we have a Republican or a Democratic President. It is as it should be.

Most of us who are in the room can remember the transition from President Roosevelt to President Truman and the rapidity with which the Roosevelt appointees left office.

One thing that we have not gotten into focus is the fact that government is no longer the kind of thing that it was in the twenties or even in the thirties when we thought we had only domestic problems to deal with.

There are now dozens, if not hundreds of Government programs which we must keep going from one administration to the next. Frankly, in my judgment, we simply cannot afford even 2 weeks of having the wheels spinning without traction. This is particularly true in the Department of Defense and in our international obligations, but it is also true on many domestic fronts.

I would hope that—I would confidently anticipate that—the same extension of the facilities of the administration would be made by President Eisenhower as were made by President Truman, and that the new administration will appoint liaison officers, not to take responsibility for what is going on any more than Mr. Dodge took responsibility for the last Truman budget, but who will take responsibility for learning about the problems and the kinds of people that are needed to see to it that those problems do not lie around with no one paying attention to them for a period of 30 or 60 or 90 days after the new administration takes office. We cannot afford that luxury of delay. If there be anything in the very important doctrine of the energetic executive which is laid down in the Federalist Paper No. 70,

it is to be found in the application of this doctrine in the world in which we live today. We should not permit inaction on the Federal scene to force upon us alternatives which could be avoided if we are ready to act and maintain some freedom of choice among alternatives. And that is the action of decision taken as opposed to the inaction of decision forced upon you. The only way in which you can prevent this is to see to it that the agencies are fully staffed, and to the greatest extent possible that they hit the ground running at noon on the 20th of January, 1961. We can do this if we all work at it together.

We in the career service will do everything we can to see to it that the personal equations are understood, that all of the tools which the new administration requires will be available to it.

The policy officers, particularly in the Department of Defense, must extend the same kind of opportunity to those who come after them.

I would like to see something of this sort built into our ongoing machinery of government and see it recognized as an integral part of the process.

It requires two simple things: first, belief in the integrity of the person and the purpose of incoming people, and second, disciplined capacity on their part to keep their mouths shut about the failings of the outgoing people until they take over the job. Under those circumstances, given a directive from the President to the outgoing policy officers to cooperate, given a career service with knowledge of what it should do and an order to proceed to do it, I think that we can smooth the transition.

This, Senator Jackson, in a rambling way is the burden of the statement that I wanted to make to the committee this morning. I did not trust myself to put it down on paper, because I was afraid that if I did I would start smoothing off the rough edges of candor here and there. I have tried to be candid. I have tried to be sincere. I have not tried to play to the grandstand.

I regret I had to illustrate from my own hypothetical experience, but it was the only way that I could think of to handle one problem.

I am at the committee's disposal for any questions that you may want to ask.

Senator JACKSON. Mr. Jones, I am glad that you did not come to this committee with a prepared statement. I want to say that in your "off the cuff" remarks you have addressed yourself to a most difficult subject with clarity, understanding, and brilliance. I think that I can speak for the members of the committee when I say, as I said earlier, that your rugged candor is something that those of us who sit on committees in the Senate welcome. It is refreshing.

Senator JAVITS. That sounds like a Senator, Mr. Chairman.

Senator JACKSON. There are no self-serving declarations this morning. I do want to commend you sincerely for speaking this morning with such openness which, after all, is the only way that we can try to make progress on this difficult path, dealing with the all-important problems of government in the national security field. I should like to just touch on one or two points, because of the lateness of the hour, so that my colleagues can have an opportunity to ask questions, too.

What would be your reaction in general to the so-called sense of the Senate resolution on period of service?

Mr. JONES. Frankly, I am afraid of it for different reasons than Mr. Boeschenstein stated.

Senator JACKSON. You are what?

Mr. JONES. I am afraid of it, but for different reasons than stated by the witness who preceded me. I am afraid it would create a psychological hurdle in the minds of people who might otherwise come here—not only for personal reasons, such as the man who for compelling personal reasons has to leave—but I think also, whether we like to admit it or not, it would set the advisers of the President into a frame of mind that they would not want to take a gamble on whether a given man might make good or not.

We all recognize that loss of face, is after all, important in the West as well in the East. And in public life we have got to have ways at times of easing out of office appointees who have not measured up. And if a prime criterion expressed in a sense of the Senate resolution is an agreement to stay a given period of time, I think that we would vastly complicate the process of letting some folks go before that time had been served. Not only would there be a desire on the part of the Congress to find out why they had gone, but there would be an equal counterbalancing desire on the part of the individual to give reasons that were not necessarily honest reasons.

And this brings in a degree of lack of candor in Government operations that I would not like.

The other reason that I am afraid of it is this, the Government service wine is a heady wine, and it does a pretty good job under certain circumstances of convincing people that they have got something to offer, that they should stick around a while. The job persuades them to stay, but it would scare them stiff, in a great many instances, if they had to commit themselves openly and publicly, in the sense of a resolution kind of way to stay 3 or 4 years in advance of learning that they wanted to stay.

Mr. Boeschenstein stated that he thought men like Mr. Gates and Mr. Douglas stayed a lot longer than they intended to, because of other opportunities being opened up to them. I think this is true. But even if the other opportunities had not opened up, I know a good many political people—I have known them over the years, in this administration and prior administrations—who did not come down here with any intention of staying a long time at all, but whose superiors, including in some cases the President of the United States were willing to bet with themselves that if they could get them down here and to stay even 6 months, they would then agree to stay around a while longer.

I think that you would scare off that kind of person. This worries me about it.

In view of that I would, certainly, like to see the Senate of the United States, with the prestige that it holds, and our two major political parties, that is, the leadership of the two major parties, tell them that there should be service for a longer period of time than now is customary.

Senator JACKSON. I appreciate having your frank comment on it. What I had in mind was a recognition, of course, of the fact that the person serves, naturally, at the pleasure of the President, but also in some way that the Senate express its deep concern, and this is mani-

fest, as to the turnover that is occurring in these key national security positions, and that the Senate is deeply disturbed by the turnover.

Mr. JONES. I think a resolution of the Senate expressing that concern, without the implication that the next administration should turn its hands to the job of seeing that people stay longer, would accomplish the same purpose and accomplish it in a much less psychologically impairing way.

Senator JACKSON. And this you feel could be helpful?

Mr. JONES. I think it would be very helpful.

Senator JACKSON. That is fine. I probably was a little rigid in my presentation of the subject earlier and the words were a bit misleading. It occurred to me in the light of the constitutional responsibility of the Senate that we do have a function here. It is something that is on the minds of most thoughtful people in this area, especially those of us who are on the committees who have a chance to see the turnover occurring in key positions.

Just one other question. What is your attitude with reference to the dual compensation statute?

Mr. JONES. My personal view—personally I would repeal it. I do not think that we should make this exception.

Senator JACKSON. That is a clear answer. Is it not a fact, Mr. Jones, and let us take an illustration, that we have these retired officers who could make a real contribution in the civilian service to the Federal Government who cannot do it because of the dual compensation statute, but could go to work for a company—and it can be a profit or nonprofit company or a university—doing work directly with the Government and thereby, of course, not have to worry about the dual compensation statute.

Mr. JONES. We have to administer these laws. On the one hand is the national policy of up or out in the Armed Forces. A man has got to get to the top or we are going to get rid of him. This is good.

We have, also, as a matter of national policy decided that we are going to keep the armed services flexible as well as vigorous, that the man in position of top commander is going to be capable of commanding in the field and in the Pentagon offices as well. Again this is good, but it requires extensive training in administration. Why deny ourselves the ultimate benefit of that training?

Yet we turn right around and we saddle these men, trained throughout their official lifetime in a way that we do not train civilians for a minute with a prohibition against service after retirement. A military education begins at the moment a man enlists, and goes on up to the last appointment he holds. Usually retired officers are very highly, highly trained—they are very competent—they are dedicated—they are experts—and many of them have expertness in something other than how to fire a rifle or to shoot an artillery piece or to guide a rocket, yet we deny ourselves the opportunity to use them for some completely anachronistic policy of 1894 when the \$2,500 limitation was put into the statute. Then that was a pretty handsome salary. Most of the assistant cabinet officers were drawing about \$2,500 to \$3,000 a year at that time. It was the retired pay of a major with about 30 years of service.

Then came the depression, and we added the second of these big millstone around our necks, when we were trying to spread the work

and we did not think it was a good idea for a man to have two offices or to have too much compensation from the Government.

We have straightened that out piecemeal by increasing the limitation to \$10,000 but we are still dealing with statutes that are not designed to handle today's needs.

We are talking today basically about Regular officers with more than 20 years of service who are not retired for disability which is combat incurred. We are not talking about the Reserve officer. We are not talking about the enlisted man or even the Reserve officer with long years of service. He is not affected. And in most categories you are not talking about the warrant officers. We are talking about the Regular officer with more than 20 years of service, some 32,000 of them today. There are plenty of them trained adequately to meet whatever standard of competition the Civil Service Commission prescribes or any examination you want to mention.

If they can meet that competition and come out top of the register why, in the name of goodness, should we deny ourselves of their services and deny them another career, if you want to call it that, when they still have 20 years of useful life ahead of them? I think it makes no sense at all.

Senator JACKSON. That is a very fine answer.

Senator JAVITS. First, I would like to say that your testimony, as far as I am concerned, is a complete success. I am glad to see that we have some able men in our Government. I feel much reassured by that.

Secondly, I would like to suggest that I will send to you some of the people who are working on this intern plan with the hopes that you can, and if you cannot handle it, that you might give them some useful guidance.

Mr. JONES. May I ask you a question?

Senator JAVITS. Yes.

Mr. JONES. Have they or you been in touch with the very considerable thinking that is being done at the moment by the Brookings Institution?

Senator JAVITS. I will send them to the Brookings Institute as well as to you.

Mr. JONES. They have a man at Brookings now. Incidentally, he is a retired brigadier general of the Marine Corps, who has concerned himself with this.

Senator JAVITS. What is his name?

Mr. JONES. I am ashamed, but it escapes me for the moment.

Senator JAVITS. We can get it.

What do you think about the award business? I notice that you are a recipient of the Distinguished Service Award. Could we get a little more mileage out of the whole matter of awards, for distinguished service to our Government, of a nonmilitary sort?

Mr. JONES. Yes. We should not overplay it. We should not put ourselves in the position of deflating the currency, so to speak.

The one thing which I think is universal in everyone with respect to public service is some desire for a modicum of recognition when he has done a good job.

Because of our constitutional fear of titles and because of the degree of rugged individualism and the American suspicion toward govern-

ment, we have assumed over the course of 180-odd years that it was all right to kick the public servant. But never pat him on the back, because it might give him a swelled head. I would like very much to see the present system of awards, which is pretty much limited to career people, extended in such a way that there could be presidential or congressional or both recognition of outstanding jobs done in political posts.

The President's Award for Distinguished Civilian Service is limited to five career people a year.

I am deeply honored that I was one of the first five to receive this. But we have almost no system whereby we can even give one a year to other people.

Within the Department of Defense you can get around this because the President can, by a slight tug at statutory language, give some military awards to nonmilitary men. I think we should go beyond that.

Senator JAVITS. What do you think about the British system of giving a purse or tax exemption as a special gift of the nation for unusual service?

Mr. JONES. I do not by and large like that.

Senator JAVITS. You prefer an honor?

Mr. JONES. I prefer an honor.

Senator JAVITS. What about the converse of setting up a method of rewarding distinguished service?

Mr. JONES. I would, first, think it is long overdue.

Senator JAVITS. Thank you very much.

Senator JACKSON. Thank you, Senator Javits.

Senator MUSKIE. I want to extend my compliments for the manner in which you have presented your statement. I have several questions that I would like to ask myself, but because of the time, I will limit myself to one.

At the outset of your testimony you made reference to the need for nonpartisanship in the area of national security. I am a little concerned about this in the sense that this suggests public attention ought not to be called to important decisions being made.

Mr. JONES. Excuse me for shaking my head.

Senator MUSKIE. This is exactly the reaction I hoped that I would get. And I hoped that you will expand on it.

Mr. JONES. I did not intend to leave that impression at all. I think that what I said, and if I did not, I should have said, was this. Let us take the Secretary of Defense and all of his subordinates off the sawdust trail of making partisan dinner speeches. Let them be concerned with the explanation of their policies and let them do this against a background which is just as nonpartisan or bipartisan as we can make it, both here in the Congress and in public. There must be both at this end of the avenue and among the American people a very keen recognition of responsibility to criticize, to question, to ask for reports of stewardship on anything that pertains to 60 percent of our national budget, as our national defense program does. But I do not think that we should insist that the Secretary of Defense be a Republican or a Democrat first, and Secretary of Defense second. I think that we ought to turn it the other way around.

Senator MUSKIE. And recognizing, of course, that any action which is interpreted by the public as a serious mistake should be taken into account.

Mr. JONES. Of course, And for those mistakes, the Secretary and the party of the President must take the responsibility. That is why I asked for better indoctrination as to party responsibilities.

Senator MUSKIE. Thank you very much. I had other questions, but your statement overall is so comprehensive and clear that the additional questions are not necessary.

Mr. JONES. May I ask permission to review this record? I have a lot of sentences that are not complete sentences, I am sure. I would like to tighten them down.

Senator JACKSON. I think that you have done an outstanding job. You have presented a statement here that I think will not need the slightest correction, but you, certainly, have that privilege, as all our witnesses are accorded.

Mr. JONES. I want to be sure that my sentences are sentences and that my grammar is correct.

Senator JACKSON. Mr. Pendleton.

Mr. PENDLETON. In referring to the sawdust trail, you did not intend to limit that to any particular period of time, did you?

Mr. JONES. No, no.

Mr. PENDLETON. You cited the Harvard study in regard to the tenure of political appointees.

Mr. JONES. Yes.

Mr. PENDLETON. I have looked that over. My impression was that there are two figures in that study: first, an average for those who had been here and had left, and, second, the average figure for those who were appointed and were still here. With the Chair's permission, perhaps, those figures could be found and put into the record at this point. I am not certain exactly what the figures were. It was my impression that the 1-year figure, or thereabouts, applied to those who had been here and left.

Mr. JONES. I am sure that is what I intended to say that it was the people that left.

Senator JACKSON. Any pertinent figures as to the discussion here would, certainly, be in order.

[Excerpt from study of "Businessmen in Government" made by the Harvard Business School Club of Washington (1958), p. 18]

HOW LONG HE SERVED

Our survey confirmed the impression that businessmen usually serve short periods with the Government, but many stayed longer than most of us believed. For those BMG's presently in Government, 41 percent have served 3 years or less, 23 percent from 3 to 6 years, and 36 percent more than 6 years. One out of five (21 percent) has served 12 years or more. The average term of service for the current crop is 4½ years.

However, of those BMG's who have served and left Government over the past 16 years, as many as 48 percent served 1 year or less, 19 percent served 2 years, 19 percent served 3 years, and 14 percent served 4 years or more. The median for this "have served" group is 1¼ years.

Mr. PENDLETON. The last point is this, in regard to the explaining of our national policy. Is that not a chronic problem of this form of government that we have, the difficulty in explaining to subordinate officials and to the public at large what those policies are?

Mr. JONES. Yes, it is a problem, but I do not think that we ought to run away from it. In a simpler era you could afford not to do it, but we do not live in that era.

What I am complaining about is the attitude of mind and the assumption that he does not have to, and shirks it. I think that is wrong. I do not believe that busy men in Washington are prescient or all-seeing or all-understanding, for that matter. Furthermore, I do not think that they can all know just by reading. I think that we have made too much of a fetish out of not seeing to it that the top side of Government clearly understands what the policies are.

We may circulate a Cabinet paper or have a staff meeting when the boss comes back from some top meeting. I do not think this is enough. It does not bring about uniformity of interpretation.

The process of training and indoctrination, of insuring understanding of national policies should be part of our conduct in the executive branch. I must say it has not fallen on very receptive ears in Congress the two or three times it has been suggested as a productive way for a man to spend his time.

Senator JACKSON. Again, I want to express my appreciation, Mr. Jones, for a brilliant presentation in connection with, I think, a most difficult topic. I know that there are a number of other questions that many of us would like to get into and we will have to postpone that for another time. We will, no doubt, be calling on you for some help in connection with many of the problems that have been raised here this morning and a number that we did not get around to.

Thank you again.

We will reconvene at 2:30 o'clock when Prof. Bayless Manning of Yale Law School will appear before the committee.

(Whereupon, at 1 p.m., the subcommittee recessed to reconvene at 2:30 p.m., this same day.)

AFTERNOON SESSION

Senator JACKSON. The committee will come to order.

Our witness this afternoon is Prof. Bayless Manning of the Yale Law School. Professor Manning served as a Clerk to Mr. Justice Reed of the U.S. Supreme Court before going to Yale. He was associated for 6 years with the Cleveland law firm of Jones, Day, Cockley & Reavis. For the past 2 years, Professor Manning has served as the staff director of the Special Committee on Conflict of Interest Laws of the Association of the Bar of the City of New York. In that capacity he has studied in great detail many of the problems with which the subcommittee is concerned this week.

Professor Manning, we feel that you can be of great help to our undertaking and we are delighted and pleased to have you with us this afternoon.

I understand you do not have a prepared statement. However, I know that you can address yourself to this subject with great ability, and we will be pleased to have you proceed in your own way and then at the conclusion of your informal remarks, we will ask you a few questions.

**STATEMENT OF PROF. BAYLESS MANNING, STAFF DIRECTOR,
SPECIAL COMMITTEE ON CONFLICT OF INTEREST LAWS OF THE
ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK**

Mr. MANNING. Thank you very much, Senator.

First of all, of course, I want to thank you for asking me to come in and to talk with you. I have some hesitancy to talk about service with the Government because my own Government service has been so limited. I did wear a uniform for quite a while. And, as you say, I worked at the Supreme Court for a year, but that is a rather separate part of the working government. I have, however, had the unusual privilege of working for the last 2 years on the bar study of the conflict-of-interest problem in the Federal Government.

I would like to talk this afternoon for a few minutes, though, not expressly about the conflict-of-interest problem. The chairman of the committee of the Association of the Bar of the City of New York, Mr. Roswell Perkins, will be here as a witness on Friday to discuss the conflict-of-interest issue specifically. As you know, Mr. Perkins is eminently qualified to discuss the topic both from his own Government experience and from his work on the committee.

What I would like to talk about is perhaps a little more general. Basically, I should like to pass along some of the things that we think we learned in the course of our efforts to inquire into the conflict-of-interest problem and into the effects of the conflict-of-interest statutes on Government recruitment and Government personnel practices.

My major thesis is not complex. Neither, is it very startling. On the other hand, I am afraid that I have found in discussing it with others that it is not perhaps as widely recognized as it seems to me it should be.

The thesis contains two points. The first one is that when you come to an actual description of how the U.S. Government is staffed and how it is run, that description looks a little different from what the usual public conception of it is.

My second general point is that we tend to talk about the problem of Government recruitment as though there were a single problem of Government recruitment, while in fact there are several problems of Government recruitment, not one. It is my opinion, that until we break the problem up into smaller pieces and examine one part of a time and try to resolve each of the separate subrecruitment problems individually, we shall probably make little or no headway.

I will be very brief in outlining my thoughts on this point. I want to emphasize that I am speaking for myself alone and not for the lawyers' committee that sponsored the New York Bar Association study.

I would like to begin with a few statements that are almost platitudes. The most obvious one is that the U.S. Government has changed. The U.S. Government has changed on a scale and to a degree that I think we tend to underrate. There are approximately 5 million employees of the U.S. Government today. About 2½ million of them are in the military. I guess the figure that most brings home to me the change that has taken place in the scale of the Fed-

eral Government is that the total annual amount required to meet interest payments on the national debt at the present time is larger than the entire Federal budget was in 1933—that is not very long ago. When you contrast the Federal establishment with the kind of Government we had the beginning of this century or in the last century, when the major elements of our personnel system were established, I think you gain an essential perspective in which to judge the changes that have taken place.

Now, it is not only true that Government has grown in size. What is perhaps more important is that it has grown and changed enormously in function. It not only now spends something over roughly \$80 billion, roughly 20 percent of our national income, but it spends it in every conceivable area of activity. The consequence is that, without in any sense abandoning the fundamental notions of the entrepreneurial system, we have certainly moved a long way from the raw *laissez faire* simple Government of the last century. Without moving in the direction of a formal ideological kind of a socialism, we have created a new amalgam, an interpenetration of Government and the private sector. Interpenetration is a rather academic word, but it is the only one that occurs to me to describe the extraordinary extent to which our Government today operates in every field and reaches out into private economy. Private and public were once clearly separate. This is no longer true.

I make this observation about interpenetration, because, as will be seen in a few moments, it seems to me to be a key fact in this whole problem of Government personnel.

The last general introductory point can be made quickly. The stakes at issue in effective operation of Government today are no longer stakes of convenience. They are stakes of survival. The cold war is part of our cultural life and part of our environment. It is something that we must live in and live through. Today we are not talking about marginal problems of improved public administration. We are talking about the maintenance of our National Government.

I suggested that our personnel system as it actually operates today is somewhat different from its usual description. It is actually composed of four categories. But we are inclined usually to describe it in terms of two.

We usually think of our civil service people and then of the political executives appointed at the top of our governmental agencies. This is quite accurate so far as it goes. I am informed that roughly 90 percent of Federal personnel today is under the civil service system or some other merit system, quite unlike the situation in the Jacksonian spoils era when there was a mass of political appointees in the lower ranks of the Government service. Sitting on top of this civil servant group we have a group of approximately 1,100 political executives. Some of these are confirmed by the Senate; the majority are not.

But there are two other major categories in the Federal personnel structure and these are the ones I would like to talk about most.

The first of these two is the block of personnel who work, how shall I say, with the Government, to the ends of the Government, for the Government, through the device of contracting out—through the formal arrangement of private contracts. The last category is that

increasing and increasingly important body made up of consultants, made up of people who are not full-time regular Government people but who make their services available on an intermittent basis to the Government.

As for the civil service people, I have nothing to say today. One of the two or three outstanding experts in the United States on this topic—Mr. Jones—testified here this morning and I have no comment at all. What difficulties there may be in recruiting civil service people and for what kinds of jobs, I am not informed.

When it comes to the top political executives, however (by that I mean simply people who are appointed to top political office) we can begin to see some of the problems of recruitment. It is important to distinguish here between two kinds of appointees. There are first those people who have arrived at a status of life where they would be interested in serving the Government on a short-time basis in what might be described as the capstone of their careers. These are senior executives, senior lawyers, men who are looking forward to a final span of Government service before they retire. The problems of recruiting these people are very different from the problems of recruiting the juniors in their organizations or of recruiting the next bracket of middle executives just beneath them. The problems are not only different, the elements that deter their acceptance of Government assignment seem clearly to be different.

I think the difference can be most easily seen by concentrating on the middle executive. It is customary to say that since Government salaries clearly do not compete in any directly market sense of the word with the corresponding salaries of people in business or in law firms or, indeed, increasingly even in universities, the man who accepts the Government appointment at this level must be prepared to come to Washington at an economic sacrifice.

But the sacrifice required of the middle executive is of a very different order from that required of the man at the top. This is the fellow who is 35 or 40 or 45, perhaps 50. He is at the height of his vigor and his powers. He is the man in many ways we need most in Government service, particularly, let us say, at the sub-Cabinet level. But he is the man whose children are in college, or are about to be. He is the man who has not paid off the mortgage on his house. He is the man who is living approximately 7 percent above his income this year, in the persistent and usually not-disappointed hope that somehow next year he will be able to live 10 percent over his income.

This man cannot come to Washington because he doesn't have enough cash. It is very simple. There are a lot of other things to talk about. We all talk about them and hear of them. His position of prestige, his position vis-a-vis what he hopes will someday be valuable stock options, the problems imposed by the conflict of interest statutes, et cetera. But I suggest that there are basically two effective deterrents to accepting appointment, and they really resolve into one.

He cannot afford it. He cannot maintain two houses. He cannot scratch up the moving expenses. And he cannot live on the Government salary at anything like the level to which his wife and children have become accustomed.

The other factor to be mentioned is very close to the first one. It is the question of what happens to his job while he is gone. Where

does he stand on the company ladder, or the law firm ladder or the university ladder when he comes back? Was it an escalator he was standing on that kept going up while he was away? Or will he find that people passed him while he stood still on the same rung of the ladder? This was not a problem, of course, for the senior man. He was standing at the top of the ladder anyway.

The point I want to stress is that it is essential to distinguish as among who is being recruited, and for what kind of a job. To say that there is a single recruitment problem, or single set of recruitment deterrents does not correspond to reality.

Similarly, when we move away from the business executive or the university person and move to special occupational categories such as, for example, lawyers, the problems of recruitment are seen to vary in accord with particular positions and particular vocations.

For example, it happens that the conflict of interest statutes, which Mr. Perkins will be talking about on Friday, strike most devastatingly at the lawyer. One example—

Senator JACKSON. At who?

Mr. MANNING. At the lawyer. There is no particular suggestion that they were aimed to do this. It just happens that the way they are put together, the way they are drafted and the accidents of the legal profession lead to this result.

Basically, lawyers practice in partnerships. They do this because it is against the law to practice as a corporation. It happens, too, that a major thrust of the conflict of interest statutes is to forbid a Government employee to prosecute—I am abbreviating here—to prosecute claims against the Government. Since he is dealing with a partnership, the lawyer finds that the same restrictions apply not only to him, but to his partners.

When the lawyer is asked to accept a Government appointment on a short-term basis, he is confronted with the necessity to resign completely from his law firm. And this is true even though he may be asked to serve only on a temporary basis, on an intermittent basis, and to work on something that bears no relationship whatsoever to the work that his firm does.

I am familiar with a particular instance of a practicing lawyer in New York, a partner, who was asked to serve on the Federal Arts Commission as an unpaid adviser, to consult, I suppose, on the relative merits of Rembrandts and Rubens. Despite his interest in the job he turned it down. Why? Because if he accepted the appointment and came to Washington once a month he would be an "employee" of the Government and being an "employee" he would be under the conflict of interest statutes. If he did not resign from his law firm, his partners would also be affected by the statutes and the law firm would arguably have to drop all of its tax and antitrust practice. It all hardly seemed worthwhile, even for the pursuit of art, and he did not feel under the circumstances that he could make this great a contribution to culture. He did not accept, and in my view the Art Commission is that much the worse for the loss of his services. The law firm is still practicing tax and antitrust work.

The situation in the universities is apt to be different still. I would suppose that by now there is roughly a parity between many university salaries and Government salaries. But except for the top people in

the universities—I am again speaking of the middle people, the ones with the drive, the imagination, the vigor, the sense of public commitment—the problem of what happens to a man's regular job in the meantime, how many more books could have been written, how many more articles published—this problem weighs heavy. It is very, very hard for these people to leave and come to Washington for any substantial period of time.

Now, there are, of course, a variety of other forces at work. Some are of the view that the official life that is said to be the Washington official's life is itself a problem, that the risks of being sniped at from political sources frighten people away. I suspect that that to some extent may be true. Quite honestly, however, I have never been quite sure how weighty it was, as contrasted with its being a convenient rationalization for some other rather simpler forces at work. I don't really know.

But in any event, it is perfectly clear that there are many people, particularly today, in the area of technological development, whose services the Government of the United States must have. And it is equally clear that many of these people—either because of salary or because of jobs at home, or want of prestige in the community, or the goldfish life in Washington, or whatever—will not accept direct Government appointments as employees. In large part as a consequence of these facts, and as a major development in Government staffing, there has grown up the practice of contracting out that I referred to earlier. The development has been apparent since World War II and even more particularly with and since the Korean war.

Now, I do not wish in any sense to hold myself out as an expert on the operations of these organizations, these contracting organizations. Most of them are working on highly classified security material. What they do is not public knowledge, and this, of course, is one of the problems. Further, I have only looked into the area collaterally to our research into the conflict of interest field.

Senator JACKSON. When you refer to contracting out, you are referring to various contracts that the Federal Government has with universities, with nonprofit corporations, as well as corporations for profit; is that right?

Mr. MANNING. Yes, sir, that is entirely right. I would amplify that by saying that of course the Government has always bought things from the outside and in a sense the term "contracting out" is not a very appropriate one. When the U.S. Army needs tomato soup for its kitchens, it does not try to make its own tomato soup, it goes out and buys it. The Government has always done this and there is no change here and nothing of particular import.

But what is happening today is that in addition to the purchase of goods and hardware, and the contracting out of the development and design of goods and hardware, increasingly the Government is turning to outside organizations for the provision of services to the Government.

Now, these will range from, for example, the cafeterias in the Pentagon Building which are, in fact, handled by an outside caterer. This is an example of contracting out of a service, though hardly a dramatic one, or one to detain us for comment. But starting at the level of this kind of service, there is really no service which could not

be handled in this way. I suppose we could imagine the possibility of contracting out, let us say, the problem of aerial reconnaissance.

Senator JACKSON. The device can be used in the physical sciences and in the social sciences, as well.

Mr. MANNING. That is correct. That is entirely right. To use perhaps a related example of that, we have turned to private management consulting firms to make studies of our internal Government operations.

Any kind of organization may be available to enter into this kind of contract with the Government. You have mentioned some. Some will be universities. Some will be, particularly in the technological field, laboratories with loose affiliations with universities. The Jet Propulsion Laboratory in California would be an example of this. The Lincoln Laboratories at MIT would perhaps be another. The contracting companies may also, of course, be profit corporations. Sometimes they may be nonprofit institutions. Sometimes the contract may be with an individual person. Sometimes they may be very special and rather odd institutions, new creations, designed to meet the particular problem of getting a particular important job done. The one I have in mind for the moment is the Institute for Defense Analyses, generally known as IDA, a group working with the Defense Department but pooling the resources of several universities.

I wish to be very clear that I do not use the term "contracting out" as a term of condemnation. There is beginning to grow up an impression, I fear, that "contracting out" is in itself an individious practice, suggesting an evasinary tactic. I, in no sense, mean to use the term in that way. It is simply a descriptive statement of a range of new techniques that are being worked out because Government agencies find themselves able, through this arrangement, to secure needed personnel that they are unable to secure directly through the classic simple device of hiring employees.

Nonetheless, these "contracting out" organizations, or companies or, indeed, individuals, these organizations and this practice clearly raise some problems.

They are very real problems. I would suppose that basically they are two. The first one is that in a way they do not really solve the ultimate personnel question. Someone must review the reports that come in as a result of the "contracting out" of a job. Whoever has that job, in whatever technical or legal relation he may stand, must be totally committed to the U.S. Government. It remains necessary, therefore, to find men for Government service who have sufficient competence and ability to review and screen the reports produced by the "contracting-out" arrangements. Especially in technical areas, it is difficult to find such men.

Senator JACKSON. I am glad to hear you make that statement because I concur 100 percent in what you have just said. I think the contracting-out device is not only necessary, it is useful. I think the real problem comes—you put your finger right on it—if it follows that we see fit to contract out certain undertakings which, under the circumstances would normally be Federal functions, then it seems to me that it follows logically if you are going to be able to integrate the proposal into the policy process, you must have people of comparable competence who will represent the Federal Government in

passing judgment on the recommendations that are made by these various institutions, whether they are private companies or universities or nonprofit corporations.

Mr. MANNING. I certainly concur with that, Senator. And your reference to "integrating" the work product into Federal policy is the perfect bridge term to carry to the other major problem posed by the contracting-out mechanism. That problem seems to me to be the problem of responsibility to the democratic process. The contracting-out device—quite apart from the problem of security classification, which further complicates it—almost necessarily works outside the fishbowl in which we normally look at our Government. To that extent it must necessarily pose the problem of publicity and public scrutiny.

We thus have two main problems here. One is a matter of competence, having people inside who can review; the other is the matter of public notice or disclosure so that we know who is making the decisions and where they are being made, a central premise of the operation of a democratic government.

There is one other aspect which I think should be mentioned just because it is there and there is nothing we can do about it. The contracting-out problem has become blurred, in my view, by the introduction of ideological arguments. It is sometimes implied that contracting out is inherently a good thing in that it looks like something we call "free enterprise," whereas, if the Government does it, whatever "it" may be, that looks less like "free enterprise" and is therefore a bad thing. I would suggest that this is a very dangerous way to go about trying to work out a critical problem of governmental staffing and democratic responsibility. These problems are difficult enough without importing into them essentially extraneous ideological characterizations of one legal form as somehow compatible with the national heritage and the other one somehow not. I make the point almost in passing, but discussion of the merits and of real problems of responsibility and competence can easily become embroiled in an emotional wrangle about which is the "moral" way to resolve the matter.

So much for the moment for the contracting out area. The other category I would like to comment on briefly is that of the Government consultant. We don't really know how many consulting committees, advisory committees there are working with the Government right now. At least I have not been able to find out and I am informed that responsible sources within the executive branch and the Congress have not been able to find out. This is not because anyone is concealing the data. It is rather that the use and practices of consultants shift and change, and because there are many different kinds of advisory committees and consultants and advisers to the Government, and it is very hard to figure what it is that is being counted.

I propose that the widespread use of consultants by modern government is inevitable. It is past time that we recognize that this is not some strange passing one-legged sort of a duck about which we must be somewhat doubtful and suspicious. The use of the technician or the policy consultant, for that matter, is here to stay and indeed is certain to grow. In a simple laissez faire government of the last century we could live with a simple dichotomy between private employees and

Government employees. But this simply will not work where the Government and the private segment of the economy are as closely interblended and intermingled as they are now. The range of modern government functions, the number of activities in which it is engaged, and the demands for executive personnel and for technical specialist personnel are such that the Government today could never possibly hope to have on its payrolls at all times the number of people with the kinds of specialties that it needs. It must be free increasingly to use outside specialists. And this means that we must adjust our legal structure and our thinking about consultants to face up to the realities of their existence, of their contribution, and indeed of their absolute necessity.

Altogether, we need to develop a whole new way of looking at the problem of staffing Government. We are accustomed to think about it in terms of getting people who are outside Government into Government. But the premise of this approach is that there is a line dividing inside and outside. By now the problem has grown much more complicated than that. We must increasingly deal with hybrids—personnel partially in and partially out of Government.

The contracting out arrangement itself is an illustration. These are semi-Government operations, part in, part out. The consultant here in Washington 1 day a week, 1 day a month, is an example, part in, part out. The political appointee who comes to Washington after years of private work for a couple of years, goes back, and then comes back again, offers still another example. The senior staff man of this subcommittee is a perfect illustration of the public-spirited citizen who moves into Government from time to time to undertake an important Government assignment and then returns to private employment.

This interflow and interpenetration of personnel must be seen as increasingly the norm. It is an inevitable specific product of the general process of mixture and blending of the public and the private parts of the American economy, accelerated by the cold war.

I would close with two general observations. The problem of staffing the Government is not just money and it is not just conflict of interest statutes. The problem is not just a legal problem at all. One of the major forces at work, and this will always be true, is the extent to which the Government itself and the leaders of the Government provide the kind of leadership that will attract people to serve the Government. The main thing that attracts people is challenge, and an opportunity to do something worth while. When Government service offers this kind of a challenge and opportunity to do something, many of its personnel recruitment problems quietly go away. Conversely, difficulties in recruitment may be symptomatic of feeble leadership in Government.

Finally, the prevailing community opinion on the prestige of Government office is an enormously important aspect of this whole problem. Rome and England were able to run empires successfully for quite a long time. In so doing they were able to create a climate of opinion in which the most prestigious positions in the society were positions in the government. This public attitude contributed greatly to their ability to enlist people to enter government service as a career. Today the Soviet Union is in a position where it can mobilize all of its manpower resources, its talents, its skills, and put them at the service of the state.

In the United States, by contrast, we are trying to run a position of international preeminence and worldwide commitments with a series of institutions and a cluster of public attitudes toward Government service inherited from a century ago when ours was a small-scale laissez faire government of a second-class power, intent on its internal affairs, and strongly disposed toward a spoils system of public administration. Not only have we failed to correct these inherited images. We have felt no hesitance to adopt legislation that deliberately cuts off valuable sources of personnel from Government service—for example, the so-called dual compensation statutes that force young, trained retired military officers to sell Fuller brushes or life insurance rather than work for the U.S. Government. If we are to be successful in coping with our Government personnel needs we shall somehow have to create not only better law but better incentives and a better general public appreciation of the Government's need for talent.

We must move on this problem for in the final analysis a nation and its government have no wealth, have no power, except in its people.

Thank you.

Senator JACKSON. Professor Manning, may I express my appreciation to you on behalf of the committee for your very fine statement. You have invited attention in particular to the great change that has occurred in our system over a period of time and in a most descriptive way presented the challenge that we face.

Our job in this committee is to find some way in which your closing note can be implemented, namely, the marshalling of our greatest resource, our human talent, so that it can be utilized effectively in coping with this broad challenge that we face.

I take it that the first consideration, of course, is a negative one, namely, the change in the archaic statutes referred to as conflict-of-interest laws. The difficulty stems in large part as to what is a conflict of interest today. In order to do anything in this direction, that is the No. 1 order of business, is it not?

Mr. MANNING. Well, I think—

Senator JACKSON. I mean this stands as an impediment based on what you have related here and what has occurred as a result of various hearings of committees of Congress, cases that have been brought to light, and a long series of public disclosures especially since, before, and immediately prior and during and subsequent to World War II.

Mr. MANNING. I have no doubt that certain adjustments in the conflict-of-interest statutes would make a substantial difference in the possibility of recruiting people into Government service. I have no doubt of that whatsoever. I would point out, however, that the problem is a difficult one because the conflict-of-interest statutes are not just an impediment; they are also a protection. We are obviously not in a position where we can simply say they are all bad and therefore should be scrapped. Unfortunately it is not that easy. The problem is how to rebalance the restraints so the statutes perform their major functions of protecting governmental integrity without at the same time blocking the Government's personnel recruitment and administration.

Senator JACKSON. We certainly all realize the obvious necessity of protecting the public interest. One can make a very good argument that working under an old statute which was supposed to protect the public interest has impeded the public interest in that it has denied to the Federal Government the talent that the Federal Government needs at the right time and the right place. This, of course, is the deep concern of the committee and we want to make sure that the public interest, from the standpoint of honesty and integrity, is protected.

The main difficulty I think in the conflict-of-interest situation stems not so much from the fellow who is a plain thief as it does from the fact that it is this fear of a technical violation of the conflict-of-interest statutes, is it not, which deters him and which leaves him in a state of uncertainty so that he is not quite sure where he stands. He works for a firm and he is all ready to come to Washington, and then the counsel for the firm tells him, well, now, look; you are up against such and such. Something might happen to you if you don't do so and so.

So when he listens to counsel for the firm, he decides, well, I had better not come. It is bad enough to come down here anyway.

Mr. MANNING. That precise point is one that we have sought to make in our book on conflict of interests in Federal service. The book should be available, incidentally, by June 15 or so.

The substantive provisions of the statutes themselves certainly impose a substantial deterrent to a good many categories of potential employees. But over and above that, this point that you have added is also valid. The sheer uncertainty in this particular body of legislation has contributed further to this deterrent effect. No one really knows what it is he can't do legally, or he can do, legally.

Senator JACKSON. Do you have any comments at this time as to—assuming that appropriate changes are made in the conflict-of-interest statutes, do you have any comments regarding affirmative legislative actions that might be necessary to cope with the problems presented, particularly by the top political executives who come to Washington for a limited period of time, the employment of consultants and the contracting out of Government services?

Mr. MANNING. I have some thoughts on it.

Senator JACKSON. I have particular reference, of course, to the middle executive, where you do have a multitude of deterrents at the present time.

Mr. MANNING. That is the one I was going to begin with, too, precisely for that reason. I certainly wish I could offer a panacea. I do not expect to be able to, and I don't expect anyone else to be able to find one. I say this because of my basic view that the main problem is the overall attitude of this society toward Government service.

If it were considered part of the normal routine of the man's life that he would work for the Government at some point for 3 or 4 years in the same way that it would be considered routine that he would serve in the military or routine that he would go to school for a while, or routine that he would take care of his aging parents, if this were part of the mores of this society—as it has been in some societies—Cincinnatus' leaving the plow for government service and then going back to the plow—if this were part of the general attitude

of the American people toward Government service that, in itself, would do more to resolve all these problems than any other single thing. Short of that, and so long as we don't have that, we aren't going to find any total solutions to the problem. But we can find some lesser ones, I think.

Senator JACKSON. The mores of the community are not always susceptible to improvement by legislative process.

Mr. MANNING. That is right.

Senator JACKSON. The British, in the 19th century, I think, came as close to the development of a great tradition of serving the Empire. Their young men grew up with a deep sense of obligation to serve in some capacity——

Mr. MANNING. Exactly.

Senator JACKSON. Whether it was in the military service or in the civil service throughout the world. Is that not a good example of what you have in mind?

Mr. MANNING. Yes, sir.

Senator JACKSON. Of course, it had to come with time. Maybe a few more aerial incidents will help bring the story home to the American people, that we are indeed in a cold war of serious consequences and it is the responsibility of all our citizens to do their part, whether they are in the Government service or in the universities, or working for private firms or working for laboratories. Wherever their talent is located, it is our job and our responsibility to come up with the legal devices, at least, that will make it possible for the Federal Government to call on their services without deterrents to overcome and without the necessity of being delayed indefinitely in obtaining access to such talents.

Mr. MANNING. And I, for one, believe that there are some things that we can do that within the limits of what we have just agreed to be the barricades that surround us, the barricades of the mores of our own society in this respect. Within these limits we can do a good bit.

Now, you asked—and I would agree that this should be the first question—what about the middle executive? What about the middle lawyer, the middle assistant or associate professor, the middle doctor, or whatever? Well, my first answer is a trite one, but things become trite usually because they are true. Money.

Senator JACKSON. The root of all evil.

Mr. MANNING. And of very considerable good, too. Very considerable good. These people need not large sums of money but regular sums of money. The cash payment to meet that month's mortgage payment must be found. To talk in terms of the public sacrifice made by a senior retired executive who is required to sell a block of A.T. & T. bonds to finance a Washington tour is one thing. To talk of the middle executive pulling his children out of college, and having the bank foreclose on his house, is really quite another. The fact of the matter is, the man in midcareer cannot and will not do it. Something must be done to make dollars available to these people if we have any hopes of getting them.

I wish to emphasize strongly that I am not just talking about businessmen who are corporation executives. It is true, in my view, that for peculiar and perhaps temporary reasons, corporate compensa-

tion standards, by and large, are out of scale vis-a-vis the Government, and indeed out of scale with most other lines of endeavor as well. The corporate executive problem, for that reason, may be the most difficult. But, nonetheless, this problem of finding money to attract the middle executive talent to Government exists for the young lawyer, for the doctor, for the accountant, for an engineer, for anyone else.

Secondly, and this is part of the money point again, combined with Senator Jackson's point about the conflict-of-interest statutes, for the middle executive, the section of the statutes that imposes the greatest burden is title 18, United States Code, section 1914, basically forbidding the outside supplementation of the salary of the Government employee.

Now, there are good arguments for the rule of section 1914. But the trouble is, if you make the argument, buy it, and live with it, then you have to pay the cost. And the cost is this: A Government agency finds and recruits a middle executive it wants. The agency can pay \$10,000 per year but the prospect is currently making \$15,000. The prospect's employer offers to pick up the other \$5,000 while the employee is in service. Section 1914 says that this is illegal and the Government does not get the employee. And it is illegal quite regardless of whether his employer does any business with the agency involved or with any part of the Government. The payment would be a supplementation of salary, and, as such, is forbidden.

Now, I repeat. This issue isn't black and white. There are arguments for such a stringent Draconian position, but I think we must be realistic and recognize that if we are going to keep section 1914, we are either (a) going to lose the people, or (b) going to have to raise their Government salaries appreciably. I think it is that clear.

On a different tack, a good bit can be done on the recruitment problem that is not now being done in the field of public education. I don't mean "public education" in a great vacuous sort of floating way suggesting that wouldn't it be nice if everybody knew more about everything. I am talking about this concrete problem of recruiting executive talent. I do not think the public is aware of the problem. I do not think that employers are really aware of the problem—especially men of senior positions themselves, people whose impressions of Government were formed in the earlier days before the revolutionary changes of the last 30 years took place. It is my experience, at least, that when you talk with these men in the law firms, in the doctors' offices, and in the companies, they just aren't really persuaded that it is important, vital, that they let their younger people go to the Government for awhile, that they should make this easy to do, that they should hold their place open on the ladder of promotion to the extent that it is at all possible, that they should encourage the young people to go, and that there are many kinds of advantages and returns to the employer when they do. I think that story can be sold and can be sold far more than it has been.

Again, back to the conflict-of-interest provisions. It seems to me that certain kinds of outside economic interests must be permitted to be held by Government employees. Certainly, for example, you are not going to get people to come into the Government and work for it

if they have to abandon their pension plans, their retirement plans, their group insurance, and so forth. And there is some considerable doubt as to the extent to which the existing conflict-of-interest statutes may require that.

There are three, at least. I think there are rather a larger number still that we can think of. If we can bring the contracting-out system under some kind of public knowledge and control, leaving out, of course—again, I qualify—the security classification problem, I see no reason why we should view it with alarm. Indeed, I think in many ways it should be viewed as a great line of hope when coupled with, as we suggested and agreed earlier, devices for keeping sufficiently competent people in Government to decide as among competing recommendations made by the outside contractor.

There are many advantages and much flexibility in these devices. They are almost certainly going to grow as demands change and develop. I think probably if we can bring them out in the open sufficiently and assure ourselves of control inside the Government, we should not resist them and should not view them as machinations of the devil. And the same statement, I think, should be made about consultants.

Senator JACKSON. Well, there is not much doubt that it is—at least, let us put it this way: Isn't it entirely possible that we may need some affirmative legislation to at least clarify the relationships of this middle executive group, if they are to retain their stock options and pension plans?

Mr. MANNING. May I say just parenthetically that it is the pension plans that concern me much more than the stock options?

Senator JACKSON. Yes.

Mr. MANNING. By my view, there has been much more talk and attention given to the stock option than the topic deserves, whereas, there has not been nearly enough attention given to the very real problems of retirement schemes, retirement plans, and insurance plans.

Excuse me for the interruption.

Senator JACKSON. To get back to the contracting-out device, how important a factor do you think that higher salaries are in that particular program?

Mr. MANNING. I think they are very important; I think they are very important.

Senator JACKSON. Much—not much, but at least a good part of this difficulty of getting good people can be corrected by reasonable adjustment in the salary structure; is this not true?

Mr. MANNING. That is certainly my impression. It is the kind of thing that is very hard to document, but it is certainly my view.

Senator JACKSON. What is your attitude toward the possible consideration of a Senate resolution expressing concern about the rapid turnover in top political positions bearing on national security?

Mr. MANNING. The turnover rate is astonishing in the Defense Department. What is it now? Something below 2 years.

Senator JACKSON. I think the Harvard study brought it down to—we referred to it earlier this morning—but for the Government as a whole, I believe it was, around a year. We will have those figures in the record as soon as we get the study.

Mr. MANNING. Well, that is a very, very difficult problem. Indeed, in my view, it is an almost insoluble problem. May I indicate why I am pessimistic about it.

We speak of the desirability of staffing our top offices by what we call temporary employees, and we have been talking of the middle executive being excused, so to speak, from his regular line of employment to go to Washington. I can imagine a shift in attitudes that would lead to a wider acceptance by employers of the idea of Mr. Middle Executive going to Washington for 2 or 3 years. But I am not optimistic at the prospects of persuading a company or a law firm or a university to release an important, key middle executive for 4 or 5 years.

In other words, on this issue we may be riding a horse in two directions at once. If we want men who will stay for 4 or 5 years, we are no longer talking about the released man; we are talking about a different problem, I think.

Senator JACKSON. Just one other question. I have several others, but I will stop with this next one.

What is your opinion with reference to the dual compensation laws? As you know, this situation, of course, is becoming a very important one with a tremendous number of retired officers going into retirement status in their early forties, on up. Many of them have outstanding talents. They would like to stay in the Government, and I know I have talked with a number of them who sincerely want to stay in the Government. They find, however, that they have their children to put through college, and they end up going to work for a private corporation or with a nonprofit institution that has in both instances contracts with the Government. So they can draw their pay from the private company or university or research institute, and also draw their retirement, which they can't do under the \$10,000 limitation.

Mr. MANNING. Yes.

This was my passing reference at the very end of my semiprepared statement. I think these statutes are catastrophic.

In the first place a great disservice has been done in ever permitting them to be called dual compensation statutes. This is an ingenious bit of public relations work. What the statutes forbid is not dual compensation. They forbid single Government compensation to a man who has earned and is receiving the retirement payment for which he worked for many, many years. Whether or not dual compensation is good or inherently bad isn't material here because these are not dual compensation situations anyway.

Secondly, in the example that you have suggested, sir, the U.S. Government may receive at least some indirect benefit from this man's training and experience if he goes to work for a company that is working in the general area of his own expertise. But many of these men do not do this, as I am sure you know.

Many will wind up selling life insurance or going into the hardware store business. These are eminently honorable businesses. But for a man who is an expert in naval gunnery and has spent 30 years at it, to be forced to become an insurance man, because the U.S. Government will not let him work for the U.S. Government, seems to me inexcusable.

Senator JACKSON. The Government, in effect, is cutting off its return on an investment.

Mr. MANNING. Exactly.

Senator JACKSON. It is like a man having an investment and deciding he is going to cut off the return that he should continue to receive on that investment. Isn't that so?

Mr. MANNING. And particularly, I think that is borne out in our present situation when our commitments overseas are as great as they are, when for our overseas programs, particularly in the less developed areas, we so badly need men with just these technical skills. I should think the people in the Kremlin are much amused—if they can bring themselves to believe that such statutes really exist.

Senator JACKSON. Senator Javits?

Senator JAVITS. Mr. Manning, first let me commend you for your remarkably fine job for my own bar association. I had the honor of introducing the bill, and from what we are hearing here it seems you may be a party to a very fruitful exercise.

I have just a couple of questions to ask.

One: Would there be room in this bill, or could you make room in this bill for the kind of internship plan we have been talking about where you would borrow from industry people whom the Government would not pay at all?

In other words, I understand your point about supplementing compensation; I agree with it. And I agree with you thoroughly about these military officers. I think that is a shocking thing and I shall welcome the first opportunity to vote against it. I assume it is covered by the bill.

Mr. MANNING. The so-called dual compensation statutes?

Senator JAVITS. What we are just talking about now.

Mr. MANNING. No, sir; it is not included in that bill. It is a separate statute.

Senator JAVITS. So we would have to act on that separately. Now, what about this internship business? How could we accommodate that?

Mr. MANNING. Well it is not now included in the bill, as is implicit in your question.

Senator JAVITS. I understand.

Mr. MANNING. I would be inclined to think that—this is just a technical point—it would be better treated in separate legislation rather than in this bill. The function of this conflict of interest bill, basically, is to provide an overall regulatory structure for executive branch employees.

I would certainly welcome and endorse and be willing to do what I could to work on some kind of an intern bill that would make it possible for people to come into the Government, so to speak. We really don't have the vocabulary to describe this. I had started to say "on loan," but it really isn't that. It is a new idea we are wrestling with here on this intern matter.

Senator JAVITS. You have got yourself a job.

Senator JACKSON. Senator Javits, I want to say we have retained Professor Manning as a consultant to the committee. We will welcome any suggestions you have.

He is going to help us on some of the legislation that, obviously, we will need to pass, negative and affirmative legislation, especially with reference to the dual compensation law, and this intern matter that you mentioned, and others.

So, he will be available, particularly after the adjournment of his current professorship for the summer, maybe.

Mr. MANNING. I was just going to say someone may have to talk to Yale University about this matter of released time we have been discussing.

Senator JACKSON. You had better start at Yale with the British tradition of the 19th century.

Mr. MANNING. I agree.

Senator JAVITS. I had just one other point I wanted to pursue. I had some experience with this kind of business when I was attorney general of New York. We had a code of ethics and I set up a committee to advise people who had troublesome questions and I also administered the code.

Now, it brings to my mind two things. This is based on practical experience. One is the urgent need for an advisory agency and I notice here that your provisions for an advisory agency are largely directed toward the President and agency heads. Well, you have a very human problem there. I will find this in a minute.

Mr. MANNING. With the Attorney General, sir.

Senator JAVITS. Yes. The problem often is that an employee will not wish to go into this with an agency head because there may be no reason for disclosure and getting into a proceeding about it. I just give that to you to think about.

Mr. MANNING. That is an interesting idea.

Senator JAVITS. Because when you are dealing with individuals with problems, they want an answer, not a case. That is what I found when I was attorney general.

The other thing is that there is sometimes—and this is, again, trying to bring this thing really abreast of the times—sometimes you want a man and you want him awfully bad and you don't care what disability he is under. You want him. Now, there must be some elements of this bill that should be subject to waiver by the President where in the national interest we have just got to have him.

It is a lot more important than whether he has a stock option or some other wrinkle. Those are two things, as I went through this bill, which I like enormously, which occurred to me as something which people like yourself ought to think about.

Mr. MANNING. I think both of these facts are extremely valuable. To some extent, the second one, I believe, is incorporated. It is not an across-the-board-exemption power, but it is effective as to some of the sections within the bill. Probably a good argument can be made for going further by way of Presidential exemptive power than the bill now does.

I will say further that I think—and this gives me an opportunity to say this—we have got to take some risks. I think we are taking one very devil of a risk right now, and that one is very permanent and very substantial and it lives in the Soviet Union. I am prepared, would be prepared as an individual, to take the risk that once in a while some Government official will get caught off base if, in so doing,

we can make a substantial contribution toward this personnel staffing problem.

One of our major problems in the area has been the attitude with which we have approached it, the attitude that if a company is willing to supplement someone's salary while he is working for the Government, the reason for that must lie in evil motivation. The assumption that if a President, to take Senator Javits' point, has an exemptive power, he will use it to pack the Government with people who have come in to wallow at the public trough. I don't myself believe this is descriptively true—at least it is not from what I have observed. But, secondly, even if some of the time it should prove to be true, it seems to me that the costs of our overcareful stringency in personnel regulation are today much, much greater.

Senator JAVITS. Now, in that connection, I would like to ask you this. Wouldn't it be possible to give the President the power of waiver and give the Congress the power of veto? We do that, for example, in immigration cases and that would give everybody complete protection.

Mr. MANNING. Yes, sir. That is a possibility.

Senator JAVITS. Do you think that would be entirely practicable?

Mr. MANNING. I do not now think of an objection to it.

Senator JAVITS. I don't want to commit you to a policy position. We are just trying to spread on the record things you may be thinking about later when you are working for the committee.

Mr. MANNING. Yes, sir.

Senator JAVITS. That is all I have on that.

Now, there is one other thing I would like to ask you about. What would you think of this, some concept of a committee like this one having a responsibility to defend people just like so many committees in the Congress take them apart?

Mr. MANNING. Well, that is a novel idea.

Senator JAVITS. Well, now, this is a very important thing because I will tell you something of my own experience and just take a second. I speak with the civil service groups very often and the most valuable thing I tell them is not come to me if you want a promotion, but come to me if you are unjustly accused. That is what I am there for. And why shouldn't a high Government official feel there is some committee of the Senate that will fight for the preservation of his values, for the country, when some other committee may, he thinks, be taking him apart on the subject.

Senator JACKSON. I think this is a responsibility, if I may add, too, I think, of each individual Senator. I took it upon myself to make a statement for television on Monday saying that this is no time to criticize the President of the United States in connection with the aerial development.

The President is going to a difficult conference and he has enough problems.

There comes a time, I think, when people in public office have a responsibility to be responsible.

Senator JAVITS. I am grateful for this opportunity. I don't wish to intrude on Senator Muskie's time.

Senator JACKSON. I would hope this, Senator Javits, that this would be the code of honor of every Senator, every elected Representative to the House of Representatives, regardless of what administration is

in power. I do believe that the public demands of its representatives to be responsible when we find ourselves in the situation where responsibility must be the order of the day. And this certainly is true in the present crisis that we are in. It is true in the protection of the rights of individuals who are accused. I think that a Senator has a constitutional responsibility not to do anything that is going to impair the very institution that makes it possible for us to hold our position.

SenaoR JAVITS. May I just ask him a question? I don't want to—

Senator JACKSON. I intruded on your time.

Senator JAVITS. May I phrase a question?

Could we, do you feel, somewhat negate the impression that a man who takes a Government job makes himself vulnerable to persecution, to investigation in its onerous sense, to his character being impugned, and so on, by getting a feeling among people who are likely candidates that there are also defenders around here who will stand up for people when they need a friend and if it is felt that they deserve it?

Mr. MANNING. One associated thought comes to me in connection with your question, Senator. It is one that the bar committee talked about a good bit and relates to the confirmation process. When you think of it this way, is it not rather anomolous that the executive branch, after working to persuade someone to accept an appointment carefully grooms him down the avenue, then puts him in a taxicab and ships him up here and into the Senate committee room where he is all by himself. He is running a new and strange gantlet alone—whatever his particular gantlet may be, whether his policy views or his own stockholdings or his past political experience, or whatever it may be. As you suggest, this business of a man standing alone against the forces of Government on the other side of the table can be a fairly traumatic sort of experience for many individuals—hardly a welcome into Government service.

This is one illustration of the point you are making, that it would be far more comfortable to know that some group is there trying to help the appointee through this phase. In this area of confirmation proceedings, we get a close tieup between your first suggestion about prior advice on conflict of interest problems, and on the other hand, your suggestion that someone be available to stand up for you.

Senator JAVITS. I am grateful to you, Professor. Certainly something ought to be included on this as part of the problems that we are trying to wrestle with.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Muskie?

Senator MUSKIE. May I compliment you, too, Professor Manning upon your contribution this afternoon? I have only one or two questions. In a sense is it not true that the prospective Government employee has business interests which might reasonably be expected to affect his loyalties to his Government is better off if there are conflict of interest statutes than he would be without them, because his reputation is more likely to be protected if he assumes employment in the Government, if there are even confusing conflict of interest statutes on the books than if there were not.

Mr. MANNING. May I break your question into two parts sir, and agree with the first half of it?

Senator MUSKIE. Yes indeed.

Mr. MANNING. Yes, I do agree with you, there is no question that they protect, and they protect the individual in the same way that they protect the Government. Indeed they have another effect which is not often spoken of particularly. They make it possible for the Government to work with particular companies and to draw some appointees whom otherwise they would not be able to draw upon.

I think I can use the example of Mr. Charles Wilson as an example. Had the Senate Committee not required him to dispose of his GM holdings, my guess is that the U.S. Government and Department of Defense would have found itself dealing exclusively with Chrysler and Ford, because of the public pressure and howl that would have been raised whenever GM got a contract. After Mr. Wilson's divestment, the Defense Department bought regularly from GM, and there was little adverse public reaction. So I think there is this protective element involved. And if you recall, sir, I too wanted to stress the protective element of these statutes. They must be retained; indeed in some ways they should be strengthened.

Now the second part of your question contained a reference to the protective usefulness even of a confusing conflict of interests statute.

No, I would rather lose that man from Government service as an individual if we have to accept the confusing conflict of interest statutes as the alternative. These statutes are rules governing across the board and affecting many, many people. I would rather lose the particular fellow we are speaking of by the force of a tough and clear conflict of interest statute so long as we have a workable series of conflict of interest statutes for a wider range of people.

Senator MUSKIE. I think we are not really in disagreement on that point.

One further question I think you have probably answered already but I would like to state it this way in order to get your reaction.

It seems to me that one of two assumptions could underlie a conflict-of-interest statute: One, that the prospective employee ought to be required to anticipate to the extent that he reasonably can, any conflicts that might arise between his business holdings and his duties to the Government.

The other assumption is that there are certain risks or conflicts which we ought to be prepared to take. I wonder which of these two assumptions would you support?

Mr. MANNING. Well, my answer might sound equivocating, but I believe it is not. I think we have to operate on both of these assumptions. What we need, most of all, is judgment as to which one is working when.

There are some conflict-of-interest situations that I just do not think we can tolerate. Because it is now a past issue, and I hope one that has no political overtones, I think the example of Mr. Wilson can be used as an instance. I do not think we would have thought it appealing if we were looking at this problem outside of the United States and saw the head of the Krupp Works going in as the German Secretary of Defense. The parallel is not exact, but it is close enough to make the point that the general flavor and aura of the relationship involved was simply unacceptable from a political—all that means to me, is good commonsense—standpoint. Whether or not Mr. Wilson would, under any conceivable circumstances, in fact favor his company is just irrelevant to that proposition.

I recall a little anecdote on this point attributed to a Senator at the time of the Wilson confirmation. It stuck in mind and I think it makes an important point. The Senator said:

If I thought he was the kind of man whose action in office would in any way hinge on his personal holdings I would not vote to confirm him no matter what he sold.

Now, where there is this kind of an overriding unsavoriness of appearance with a corresponding inevitable undermining of public confidence, then it seems to me we must operate on your assumption number two—that there are some conflict of interest situations that we cannot live with.

Senator MUSKIE. In contrast you say there are some that we can live with.

Mr. MANNING. There are some, and I think Senator Javits' point is entirely sound here. There are situations where the risk may be considered to be one that we are willing to take considering the advantages that we would derive from the particular service. May I suggest a particular example? I have no trouble with this one and I am sure you do not either.

If you will review the list of names of those in the President's Science Advisory Committee, you will find that it is a magnificent collection of the most eminent scientists in the United States. That is statement 1. Statement 2 is equally true. One can find no issue relating to scientific development in the private economic arena that does not have an effect on one or more private representatives on that powerful Government policy advisory committee. In this case we make the judgment that, though Bell Labs, for example, is very much interested in defense contracts, someone from Bell Labs can be very useful on that committee. We recognize the risk, we decide it is smaller than the corresponding gain, and we decide that here is a conflict-of-interest risk we can live with.

Senator MUSKIE. How would you categorize that in such a way as to provide an objective standard for measuring subsequent situations?

Mr. MANNING. I guess I do not share the faith of many in the possibility of articulating objective standards in words where the real question is whether someone has good judgment in the particular circumstances.

Senator MUSKIE. So it is a question of judging it case by case, situation by situation?

Mr. MANNING. Well, I think one thing we can do is to lay down a general rule that is a stiff one and then, as Senator Javits proposed, provide for an exemptive power in the President. The President may use this power, however, only upon a particular finding by him that the national interest requires it, the decision must be made public, and the facts must be published in the Federal Register. What it really means is that the President is putting his political head on the chopping block to underwrite this particular judgment, bringing the force of disclosure and public opinion to bear whenever he uses this exemptive power. Some such combination seems a useful approach.

Senator MUSKIE. Is this technique utilized in the bill which you and Senator Javits were discussing?

Mr. MANNING. Yes, sir, it is contained there.

Senator MUSKIE. Is the standard which is imposed so ironclad as to impose a rather onerous administrative load on the President and the President's Office in handling these individual exemptions?

Mr. MANNING. We worked for a year and a half to try to hammer it out so that it would strike a sensible balance between the risk of an inadequate protection, on the one hand, and on the other the risk of administrative unfeasibility. With increasing administrative functions being steadily laid upon the shoulders of the President, this problem is a very real one, I know.

Senator MUSKIE. With respect to your four categories of employees—

Mr. MANNING. Yes, sir.

Senator MUSKIE (continuing). Would this discretionary power apply to the last three categories which you have described in your statement?

Mr. MANNING. Well, sir, it is not set up in those terms. The particular exemptive power I am now describing relates to one section of the proposed general conflict of interest statute. But it does not exclude any category of employees.

It is across-the-board, and any employee could receive this exemption. Our anticipation is, however, that it would be rarely used.

Senator MUSKIE. Thank you, Professor.

Mr. MANNING. Thank you.

The CHAIRMAN. Professor Manning, I must leave right now. Mr. Pendleton has some questions. Before I leave, I again want to express our appreciation for your help, and we are looking forward to having your valuable assistance in connection with the problems that we will be trying to attack during the course of the committee's study.

Senator Muskie will preside in my absence until the hearings have been completed.

I wanted to announce that we will meet tomorrow at 10 o'clock, and I believe our first witness tomorrow is Marion B. Folsom, director of the Eastman Kodak Co. and former Secretary of Health, Education, and Welfare, to be followed by Crawford H. Greenewalt, president of Du Pont, in the morning. Those will be the two witnesses tomorrow; and we will resume at 10 o'clock.

Excuse me, Senator Muskie, you take over.

Mr. MANNING. Thank you again, Senator, for the opportunity to appear.

Mr. PENDLETON. I have one question, Professor Manning, suggested by your earlier statement. You referred to the tradition of service as exemplified by Cincinnatus. In this country, since the advent of World War II, we have pretty well established a tradition of military service implemented under our system by the draft.

We continue this in recognition of this thing we call the cold war.

To fight the cold war, we have to do things other than train soldiers and maintaining strictly military establishments. It occurs to me that we might consider assigning some of our draftees annually to training in the civilian service of some of the national security agencies, both to equip ourselves more basically at that level with the young people for another type of the service, and perhaps provide a crop later on in future years in the time of a hot emergency of people who could be

brought back in to active duty and that would have had some basic experience with those agencies. How does that strike you?

Mr. MANNING. That is a very interesting idea, very interesting idea indeed.

One will not infrequently hear discussion of the possibility of locating a sufficient incentive to make it feasible to build up a substantial and serious executive reserve of the Government. Your thought might be one way of moving in that direction. If these young men are in service already, they might as well work in one ring of the Pentagon as another.

That is a very interesting idea.

Mr. PENDLETON. Thank you.

I have no other questions.

Senator MUSKIE. Well, I think that we have come to the end of this hearing at just about the right time. We have a roll call coming up on the floor.

So, may I, again, Professor Manning, say that I have enjoyed this afternoon's testimony, and compliment you upon your good common-sense.

The committee will be adjourned until tomorrow morning.

Mr. MANNING. Thank you, Senator Muskie.

(Whereupon, at 4:15 p.m., the hearing was recessed, to reconvene at 10 a.m., Thursday, May 12, 1960.)

MOBILIZING TALENT FOR GOVERNMENT SERVICE

THURSDAY, MAY 12, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:05 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

The subcommittee continues today with its second day of hearings on the problems involved in securing our Nation's finest talents for Government service in the demanding years of cold war which lie ahead.

As I indicated yesterday, we are focusing this week upon the important problem of recruiting and retaining topflight political executives—the group of high officials and their immediate assistants on whom rests the ultimate responsibility for governing.

The subcommittee was privileged to hear some highly significant testimony yesterday from Mr. Harold Boeschstein, president of the Owens-Corning Fiberglas Co., the Honorable Roger Jones, Chairman of the Civil Service Commission, and Prof. Bayless Manning of the Yale Law School.

This morning, I am delighted to welcome as our first witness the Honorable Marion B. Folsom of the Eastman Kodak Co. Mr. Folsom needs no introduction to this committee. His contributions to Government extend back over a period of three decades. We are all aware of his recent distinguished service as Under Secretary of the Treasury and Secretary of Health, Education, and Welfare. I might also note that he is the only man in recent history from the ranks of big business to serve as staff director of a congressional committee—the House Special Committee on Postwar Economic Policy and Planning. In view of that record, we will have to extend congressional immunity to you this morning, Mr. Secretary.

Senator MUSKIE. No greater and no lesser.

Senator JACKSON. He thus has a unique background of business, legislative, and executive branch experience.

I might say at this point that the subcommittee has agreed with the President that "testimony by present or former Government officials who have served on the National Security Council or its sub-

ordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session." We have notified our witnesses accordingly.

We are very delighted, too, that your able Senator is here, your local townsman from Rochester, N.Y., Senator Keating. We are pleased that you could join us for a while this morning.

Senator KEATING. Thank you very much. I appreciate the invitation. Our witness is an oldtime friend, and one of the most distinguished citizens of the State of New York. I am delighted to be here, to hear part of this testimony, although I shall have to leave shortly.

Senator JACKSON. Secretary Folsom, we will be pleased to hear from you now.

STATEMENT OF HON. MARION B. FOLSOM, DIRECTOR AND MANAGEMENT ADVISER, EASTMAN KODAK CO., ROCHESTER, N.Y.

Mr. FOLSOM. My name is Marion B. Folsom. I am a director and management adviser of the Eastman Kodak Co. in the fields of finance, public relations, and employee benefits. I joined Eastman Kodak in 1914 and became treasurer in 1935 and a director in 1947. I resigned these positions in 1953 to become Under Secretary of the Treasury of the United States. At that time I also resigned as Chairman of the Committee for Economic Development and as a Director of the Federal Reserve Bank of New York. In 1955 I became Secretary of Health, Education, and Welfare. I resigned from that Office in 1958 and rejoined Kodak a month later in my present capacity.

Prior to 1953, I served the Federal Government in a number of different capacities. I was a member of the President's Advisory Council on Economic Security, which assisted in the development of the Social Security System in 1934-35, and I served on the several subsequent councils. Since 1936, I have been a member of the Business Advisory Council for the Department of Commerce. In 1944-46 I served as staff director of the House of Representatives Special Committee on Postwar Economic Policy and Planning, and in 1940-41 as a division executive of the National Defense Advisory Commission. I have also served as Vice Chairman of the President's Advisory Committee on the Merchant Marine in 1947-48 and as a member of the National Advisory Board on Mobilization Policy in 1951-52.

I fully realize the importance of attracting able people into Government service and am pleased to present my views on the problem.

As far as my own experience is concerned, I found it satisfactory—in the administrative positions, in working for the congressional committee, and in the various advisory committees. I know many other businessmen who have also found Government service satisfying and rewarding. I do not feel that the difficulties faced by businessmen in the Government are as serious as often depicted. The situation has been exaggerated by the headlines arising from a few specific cases. Nevertheless, the fact that this impression exists among business people does create a problem in regard to recruiting men for these executive positions.

I have found that the factors involved in attracting men into Government positions vary widely, not only as to individuals, but as to

occupational groups. I will discuss four main categories: (1) businessmen, (2) lawyers, (3) college professors, and (4) miscellaneous professional men and State and local governmental officials.

BUSINESSMEN

It is true that businessmen will find working for the Government different in many respects from their experience in business. Much of the difficulty is due to the lack of appreciation of the fact that officials must operate in public view, and that Congress and the public have a right to know what is going on.

It is also hard for businessmen to become adjusted to the unique processes of governmental administration as compared to business administration. For instance, civil service rules make it difficult to reward good service of employees by prompt promotions and pay increases and to remove inefficient workers. Unless a person has had previous experience in Government, it generally takes some months for him to adjust to the different surroundings and conditions, and the limitations of the numerous laws which reduce the flexibility of administration.

It is unfortunate that in most cases the business executive stays in Government positions less than 2 years. He generally leaves just about the time he reaches the peak of his usefulness. A study recently made by the Harvard Business School showed that in the past 16 years, of the businessmen who had been in Government service and left, 48 percent served only 1 year or less and only 33 percent served over 2 years.

DIFFICULTIES IN RECRUITING

While my experience was satisfactory to me personally, I did have difficulty in recruiting businessmen for top administrative positions, both in the Treasury and in the Department of Health, Education, and Welfare. Recruiting was especially difficult for such positions as Under Secretary, Assistant Secretary, and assistants—the appointive positions between the top civil service and the Secretary. I know also that other departments have had the same difficulty, not only in this administration but in previous ones.

Businessmen with experience in handling people in large organizations are uniquely fitted for many executive positions in Government. I have found the businessmen are available in two groups—the older men who are recently retired or who are approaching retirement age, and the very young men. Some very able men have been recruited from the older group in this and previous administrations and many of them have done outstanding jobs. It is often difficult, however, for one who has had a top position in industry to accept a secondary position as an assistant. Furthermore, the men in this age group often cannot stand the pressure and the long hours required in most of these positions. It is also more difficult for them to adjust to the differences between Government and business. The businessmen in the younger group who are available have generally not had adequate experience, although there are some outstanding exceptions.

The persons really needed for many of these positions are men in their late thirties or forties, with 10 or 15 years of business experience and with several years in important administrative positions, espe-

cially in large organizations. Great difficulty is experienced in obtaining businessmen in this category.

The difference in salary is a factor, but I found this was not the main reason. The able men in this age group would benefit considerably from the Government experience. They would have a number of years after their return to business to make up for any monetary losses which might have been experienced during their stay in Government.

Difficulty is also experienced in regard to pensions and other employee benefits, stock options, et cetera, but these difficulties generally can be ironed out. Family reasons, such as the maintenance of two homes, change in schools for the children, and the difficulties in moving, also are factors.

FEAR OF MISSING OPPORTUNITIES FOR PROMOTION

What I found as the principal reason, however, was the fear on the part of the younger executive that, regardless of promises by the company, he would find upon his return that he might have lost an opportunity for advancement. While I would contend that the executive should benefit from the experience and thus might be able to advance faster, my arguments were not generally convincing. Because of this factor, it probably will be necessary in many cases to agree to a service of 2 years. An able person with the right experience can make a real contribution during that period, although it would be much better if he would stay longer.

All of the factors I've mentioned tend to make it difficult to attract the able executives, but I feel that good progress could be made in overcoming some of them if certain measures were taken by Government and industry.

While, as I've said, I do not think the climate for business executives in Government is as bad as it's generally depicted, it would help if congressional leaders would find occasion to say that they consider it important that businessmen be obtained for some of these key administrative positions. It would also help if congressional leaders could find occasion from time to time to praise the work of businessmen who have performed an outstanding service. The press naturally plays up the cases where businessmen are criticized. A better climate would result if Senators and Congressmen were a little more careful in criticizing officials, and if—when they did criticize certain individuals—they were more careful not to give the impression that they were criticizing businessmen in general.

I found that the top officials of the large business organizations were quite favorably inclined to let their young executives do a tour of duty in Government, but the difficulty arises with the attitude of the young executive in question. He quite often has the wrong opinion about the position of the businessmen in Government.

COMPANY BENEFIT PLANS

Of course, there are steps which industry could take to make Government service more attractive.

Employee benefit plans are now an important part of an employee's remuneration and many businessmen would naturally hesitate to ac-

cept a Government position if it should adversely affect their rights to group insurance, group health, or company pension plans. A company should continue the employee in the group life and group health plans while he is in Government service, with the employee being considered as away on a leave-of-absence basis, and with the same premiums being paid by the company and employee as when he was with the company.

Ordinarily the status of the executive as to pension rights would be frozen as of the date of his leaving the company, with no credit being given for service while in the Government. The company should also give credit to the employee when he returns to the company for the time served in the Government. This practice was frequently followed for men returning from military service.

The Government can help in the situation by making it clear in the regulations regarding employment of businessmen that such arrangements regarding benefit plans are permissible to men on leave of absence from their company.

It should also be understood that it would be permissible for a company to make a reasonable grant to the executive at the time of leaving, as was done in the case of those leaving for military service.

If arrangements of this type can be made, several of the obstacles can be overcome. The company should also make it clear to the executive that a position will be available to him when he returns and that every effort will be made to locate him in a position at least as good as the one he previously had. The company also should agree that in case a general salary increase were made during his absence, his salary upon return would reflect such increases.

Of course, a company in most cases cannot promise to hold an exact position open and the executive will have to take that chance.

I feel quite confident that if measures along the lines I have suggested and will suggest later are adopted, there will be enough men who are willing to devote 2 or 3 years of their career to Government service. A capable man at the age I was talking about—35 to 45—would gain considerable benefit from this experience and should actually increase his earning power. But he should not go into the service with this in view.

The businessman who will probably succeed in Government work is one who not only has ability as demonstrated by his progress with his company, but has shown an interest in Government policies. He should have been active in affairs in his local community and his local, State, and National trade organization, and thus become familiar with problems faced by Government. It would also be very helpful if he has had some previous experience with the Federal Government, either in service on advisory committees or part-time work.

LAWYERS

Lawyers with corporate law experience are well fitted by training and experience for many of these appointive positions, not just as general counsels in the departments, but also as assistants and under secretaries. This is especially true for the positions which call for contacts with Members of Congress and the preparation and analysis of bills. Lawyers also are very helpful in planning programs and analyzing problems. Due to the nature of their experience, they are

accustomed to adapting themselves to new situations. While not many lawyers have had much experience, in administrative or executive positions, this is not always necessary. On the other hand, some of these young lawyers have turned out to be very able executives.

It is generally easier to obtain able young lawyers than businessmen. Their income, in most cases, has not reached the point where the salary of a Government position would mean much monetary sacrifice. There seldom is any problem of employee benefits. The experience gained, moreover, in many cases would be more in line with their career.

There is one handicap in the rule that lawyers or their firms cannot participate in any case in which the lawyer was involved in his Government work until 2 years after he has left the Government. While such a rule is reasonable for lawyers in the Department of Justice, Internal Revenue, and certain other positions, it would seem that there should be more liberal interpretation in the usual appointive position. A clarification of this rule would make it easier to obtain able young men.

EDUCATORS

For many of these positions college professors, especially those in the fields of political science, economics, and business administration, are good prospects. Most of them have had little executive experience and desire advisory positions rather than administrative positions. They can be valuable additions for most departments and are especially helpful in formulating programs. There is little difficulty experienced in professors' obtaining leaves of absence for a reasonable time, and, as a rule, the Government salaries are higher than in the educational institution. Educators in administrative positions in their institutions are particularly good prospects, but they are not so readily available.

OTHER PROFESSIONS AND GOVERNMENT OFFICIALS

Good men are available also in other professions, such as hospital, health, and welfare administrators, and men with experience in State and local governments. These Government officials, however, would probably prefer civil service positions so that they would not be subject to loss of position when administrations change.

A CENTRAL RECRUITING AGENCY NEEDED

With so many able men available, the problem resolves itself into one of recruitment and proper placement. At present there is no central agency in Government service for recruiting these men. This is left up to each individual department. It would seem highly desirable to have a central recruiting office established in the White House which would maintain a list of the various positions to be filled by political appointees and the qualifications required for the positions. One reason the service of so many businessmen is short is that they were not properly placed in the first place. The present system is too much hit or miss. The Secretary or agency head generally is limited to suggestions received from friends or acquaintances and there is little system to it.

Such an office could also conduct a training program for the new executive, mainly to cover such things as conflict-of-interest rules, the mechanism of civil service, and the differences between Government and business. The attitude with which the executive approaches a Government job is most important, and such a training course should be very helpful in developing the right attitudes and approaches in dealing with other executive departments and with Congress.

A start has recently been made in giving the new executives a course of indoctrination but it is not uniform throughout the departments and the present program can be considerably enlarged. Such an office, to which the executive could come for help and advice, might help to increase the length of time which the businessman spends in Government.

It would be very helpful if more promising young businessmen or men from other professions at an early age could obtain experience in Government at a level below the level of presidential appointments. A promising plan is now being tried out on a pilot basis in a program recently organized by Brookings Institution called the public affairs fellowship program. This plan calls for a number of Government agencies taking promising businessmen into their organizations for periods of 6 to 9 months. A number of businessmen have indicated interest in this procedure and it is hoped that the Institution can demonstrate through this pilot program the feasibility of such an arrangement and encourage it to develop on a much broader scale. It may be necessary for the Government to authorize a special category of training positions in the intermediate class usually made by appointment, without regard to civil service, for periods up to 2 years.

CONFLICT OF INTEREST

Questions regarding conflict of interest undoubtedly prevent many executives from serving in Government positions. The publicity given to a few outstanding cases has greatly exaggerated the actual situation, however, as far as the effect on businessmen is concerned.

In the great majority of cases there is no conflict of interest, as the executive would not be dealing with his former company and there is no need for him to divest himself of his savings. Except in the case of men in the very top positions, if a case should arise where the executive would be dealing with his former company, he could arrange to turn this specific job over to an associate. In the few positions where a conflict of interest can be foreseen, the executive should not be forced to sell his assets, but should be given the option of turning them over to a trustee who would have complete control as to investment, voting rights, et cetera. Such an arrangement could be worked out with the assistance of the Department of Justice and with the approval of the Senate committee which confirms the appointment.

This whole question of conflict of interest is in a great state of confusion and complexity due to the large number of statutes going back many years, when conditions were quite different than they are now. The situation would be alleviated to a great extent if these statutes could be consolidated and a reasonable statute adopted to meet present conditions.

Fortunately, a committee of very able lawyers from the New York City Bar Association has recently completed an exhaustive study of

this whole problem of conflict of interest. Their report contains specific recommendations regarding divestment, employee benefit plans, payment for outside services, gifts, post-Government employment activities, and so forth. Their report also makes recommendations about what phases of the problem should be covered by statute and which by regulations, and includes the draft of a proposed consolidated statute. I understand that the chairman of the committee, Roswell B. Perkins (a very able lawyer, who formerly served with me as Assistant Secretary of Health, Education, and Welfare), will present the report to your committee.

I have read the summary and the recommendations, and they seem to me to be very reasonable and provide adequate protection for the public interest. The enactment of a consolidated statute and the adoption of other recommendations along the lines recommended by this committee would, in my opinion, greatly improve the present situation.

The conflict-of-interest statutes and regulations now cover part-time employment, as well as full-time. Government departments find it quite helpful to bring in, from time to time, consultants or experts to help in specific problems, generally for short periods of time. These people are now often considered as Government employees, the same as full-time employees. This sometimes prevents these experts from serving. I recall a case where a person declined to serve on one of the advisory councils of the National Institutes of Health because of this provision. It would seem to me that the usual rules should not apply in the case of these part-time, temporary consultants, and that they should also be permitted to maintain their usual connections and income. The New York City Bar committee also covers this point in its recommendations.

Most of the business executives who come into Government service have only a vague idea regarding the conflict-of-interest statutes and regulations, and there is very little systematic effort to acquaint them with these rules. I would strongly endorse the recommendation of this New York City Bar committee that a member of the White House staff be designated to see that uniform regulations are adopted in all the departments and agencies, and that the instructions developed by the Department of Justice be given to each businessman when he enters Government service. Such an official could be associated with the recruiting office recommended earlier.

SALARY REVISIONS FOR APPOINTED POSITIONS

In regard to the salary level of executive positions in Government, the fact that it is lower than in industry undoubtedly discourages business executives from accepting positions in Government. As far as the top positions are concerned, such as Cabinet Secretaries and agency heads, I doubt if any increase in salary which would be practicable would make much difference. The people generally considered for these positions are in most cases earning salaries considerably above the Government level and a small increase would have little effect. These men know that a sacrifice in income is necessary and accept only because of an overriding desire to serve the Government.

On the other hand, an increase in the salaries in the second-line positions—that is, Under Secretaries, Assistant Secretaries, Assistants

to the Secretary, and assistant agency heads—would make a considerable difference in my opinion. It is more difficult for the younger men being considered for these positions to make the sacrifice in income.

A careful study which preceded the latest salary adjustments about 3 years ago recommended increasing salaries of Cabinet officers to \$35,000, Under Secretaries to \$30,000, Assistant Secretaries to \$25,000. This schedule was revised downward, however, by Congress, and the salaries fixed between \$20,000 and \$25,000. The schedule as recommended, would have an appreciable effect in obtaining able men and the cost would be very little as altogether only about 300 positions would be affected.

CIVIL SERVICE SALARY REVISIONS

If the salary level of these political appointees were raised, it would also be highly desirable to raise the maximum salaries in the top grades of civil service employees. I feel that these maximum salaries are now distinctly out of line with comparable positions in industry, and the Government is losing too many of those who reach the top grades.

The salaries of Government employees in the lower and medium grades now compare favorably with those for similar work in industry. With the liberal sickness leave, vacation, pension, and now the group life and group health benefit plans which the Government employees have, the employee benefits in Government also compare quite favorably with those of progressive companies in industry.

A change, such as that suggested in the top civil service grades, could be made without much cost because there are relatively few employees in these grades (approximately 1,500 in the three top grades). I know of no one thing that would be as effective in improving Government administration as an increase in the maximum salary for these keyworkers. Not only would more of the able employees be kept in the Government service, but the Government could attract abler young people in the first place.

During the 1930's, governmental careers and salaries were attractive enough that the Government received its full share of able college graduates. In the postwar years, this has not been the case. It has become increasingly difficult to compete with industry and the professions. It is important that steps be taken to make these careers more attractive.

I might add that we in the Kodak Co. find in other countries where we have establishments, like Great Britain, that when they go to the universities to recruit men, we often are in competition with the government for the able young men. In this country, competition comes from other businesses, and we seldom have competition from the Government because of lower salaries, and also, the prospects of promotion.

In England, as well as in Australia and some other countries, we find that the able young men are very much interested in going into Government service, because over the years a certain prestige has been built up for a Government career which is very valuable.

I think that it is quite important to this country that we gradually build up a prestige for Government service. We do very little over

here to build up this prestige. It is quite easy to call everybody who works in Government a bureaucrat, with some indication of a slur in the term.

I find in my experience here that there are very able people in the Government, civil service executives who do a fine and outstanding job and who put in long hours of work.

I do not think that the country as a whole appreciates the work that they are doing.

I think that anything that your committee and the Congress can do to build up confidence in our civil service, would be very helpful. And it would make it easier to get some of these able young graduates, many of whom should go into Government service as a career.

Senator JACKSON. Industry and business have a substantial responsibility in this regard, too.

Mr. FOLSOM. Yes, I think so. It is quite customary for businessmen to criticize.

Higher maximum salaries in the top grades would help. The Government should also do more in introducing executive and management development programs as is done in many industries today. In the Department of Health, Education, and Welfare, we started a program a few years ago under which the entire Department is screened periodically to identify the young people with the greatest potentials for development. These people, along with some directly from college, are given a series of rotating assignments which will insure a breadth of experience and opportunities for growth. I understand that the program is working very well and also the White House is encouraging a program of identifying key individuals throughout the Government for such development. This is an important step for preparing individuals for these top civil service positions to replace the older persons who retire or leave.

Summary: It is clear that Presidential appointees and the top-grade civil service employees determine to a very large extent the efficiency and effectiveness of Government operations. It is important, therefore, that every effort be exerted to obtain able men for these positions.

For these appointive positions, men well fitted by experience in business, law, education, and other fields are available for service in Government. The following measures would help to attract able men to these positions and hold them for longer periods:

1. A central agency in the White House should maintain lists of positions and the necessary qualifications, recruit people, place them properly, and instruct them in the unique features of Government administration.

2. Certain obstacles could be overcome if the various conflict-of-interest statutes were consolidated and a reasonable statute adopted to meet present conditions.

3. Business concerns could make it easier for executives to serve in Government for 2 years or more if they would grant leaves of absence and continue coverage under group life, group health, and other employee benefit plans. The company also should assure the executive of at least a comparable position when he returns and should assure him that recognition will be given for his Government service. In addition, credit should be given him under the pension plan for his

service in Government as was done for those going into military service.

4. The status of lawyers as to clients during the first 2 years out of Government service should be clarified.

5. Salaries should be increased moderately to reduce the monetary sacrifice often involved for those taking these positions.

6. A program for giving young men work in Government for a period of 6 to 9 months would be helpful in stimulating interest in Government service and in equipping young men for positions in Government later.

7. The maximum salaries of the three top grades of civil service should be increased. This would serve to hold more able civil service employees and to attract more young men into Government service.

8. A more extensive management development program should be adopted throughout Government to identify and develop the most promising younger people.

Senator JACKSON. Mr. Folsom, I want to compliment and commend you for a very thoughtful statement, a very instructive presentation of a most difficult problem. I know that you speak from practical experience and it is just this kind of counsel and advice that we are looking for in trying to come up with some remedies.

What would be your reaction to a Federal recruitment program at the college level for positions in the Government, aimed at students who have an outstanding background, for example, in political science and social science, that would fit into governmental administration?

We all know that industry is engaged in an active recruitment program. The Federal Government has certain recruitment programs in connection with their key scientists, nuclear physicists, which is an outstanding example, and there seems to be a void in this area of governmental administration.

Suppose that the Government saw fit to select 50 outstanding graduates in social science, and would carry them on for a year or two of graduate work, then bring them into the Government as an outstanding group. This is just a general thought. What would be your reaction?

Mr. FOLSOM. I would like to see something done in that direction.

I know that when I was down here and Mr. Young was then Chairman of the Civil Service Commission it was proposed to recruit more college men into Government service.

I think that this is a good proposition.

I think that progress could be made in that direction and it would be very desirable to pick a special group with special training.

You might work out a fellowship program for graduate students and then take them into Government.

Senator JACKSON. It is true that our colleges represent a great well of idealism, I mean, in the young men who are deeply concerned and determined, who want to do something for the good of their country, especially in the light of this long-term threat that we face; is this not true?

Mr. FOLSOM. Yes. I think that the Civil Service Commission should really make a greater effort in that direction than has been made.

Senator JACKSON. Do you feel that both political parties could render some service in maybe agreeing to higher standards in the selection of political appointees?

Mr. FOLSOM. I do not know what kind of an agreement that they could reach on that. I think that it is desirable to set higher standards in the higher grades.

Senator JACKSON. I have in mind giving at least some thought to the idea of having the chairman of both political parties come in and make some political promises to this committee, if they will.

Mr. FOLSOM. That is desirable.

Senator JACKSON. Prior to the election, whereby they would agree and adhere to certain standards in connection with the selection of people for top or key positions that bear directly on the national security. This is the area that this committee is primarily concerned with.

Mr. FOLSOM. Well, sir, it is very important that we have such in our Government, with such a high turnover in the top level positions, especially in the Defense Department. And that is true probably, in other departments as well.

It is difficult to get able people down here. By the time that they get well trained, they leave.

I know that it would be very difficult to run a business on that basis.

Senator JACKSON. Do you not think that the professional party people in both political parties have a certain responsibility to review the problem in terms of the threat which can last 10 or 15 or 25 or 50 years.

Mr. FOLSOM. Anything that you can do to get able people down here would be well worthwhile.

I found that I did not have any difficulty, so far as political pressure was concerned, in selecting men for these jobs.

Of course, those who are to fill these jobs have to be acceptable to the administration. You cannot expect it to be otherwise. These are Presidential appointments or persons working closely with the Department heads and they naturally want people with the same objective as the party in power. That does not mean that it would be purely a political appointment. You should always try to get the best man for the job. Sometimes your choice is limited, because you do not have many prospects.

Senator JACKSON. Do you think it would be wise for both political parties to agree, particularly as to the top positions in the national security field, that such officers refrain from making partisan speeches, especially in connection with the fund raising dinners—in other words that both political parties reach some agreement on that?

Mr. FOLSOM. I think that would be desirable in certain positions. On the other hand it could not apply generally.

Senator JACKSON. I am thinking in the national security field particularly.

Mr. FOLSOM. I think that is a good point.

Senator JACKSON. I have one or two other questions then I will turn to my colleagues here.

As you know, we have so-called dual compensation laws that prohibit retired Federal officials, whether they be military or civilian, from working for the Government where the gross total salary and pension exceeds \$10,000.

What is your attitude in general on the dual compensation problem.

Mr. FOLSOM. I am not quite clear on your question.

Senator JACKSON. I was referring to the prohibition in the law that denies to former Federal officials, military or civilian, the opportunity

of working for the Federal Government after they have retired. I refer specifically to the large number of retired officers in their early forties, their late forties and early fifties, who are leaving the Government, many of whom would like to continue on in Federal service. The Federal Government has invested, in many instances, hundreds of thousands of dollars in their careers—they are specialists in fields where the Government could utilize their services, but because of this prohibition they have no alternative but to seek employment elsewhere, for example, with a corporation doing business with the Government. In that way they can continue their career and continue to draw their retirement benefits.

Mr. FOLSOM. Well, I think that some way ought to be found to utilize their experience, because many of these people retire at a comparatively young age. Very few people in industry retire until they are 65, but these military people retire at 50 or 55 and they have a number of years of service ahead of them. It is very unfortunate that the Government has not taken advantage of their ability and experience.

I do not see why you could not work out a plan whereby they would continue their retirement benefit and get the difference between that and what the job would pay. There should not be a prohibition against it. You have 10 or 15 years in any case, of very good service that you can get from these people. You have invested money in them. You should not force them into outside employment.

Senator JACKSON. Our previous witnesses have been of that same opinion. It seems ridiculous that the Government would want to cut off a good return on the investment which it has made.

Mr. FOLSOM. Especially when they retire at such a young age.

Senator JACKSON. One last question, although I have many others. Do you think it might be helpful if we passed a resolution in the Senate expressing concern over the rapid turnover in high Federal posts and asking that consideration be given in future appointments to the kind of person who would be willing to stay on, assuming, of course, that we can make some changes in the laws that we have discussed this morning—do you think that this sort of approach might be helpful?

Mr. FOLSOM. If you incorporate in the law some things that would make it understood that the companies could continue their employee benefits plans, and the like, that would be fine. I do not know whether you have to pass a law on that. I think that it ought to be understood. I think that the companies would not be criticized for doing that if you said so. And a man should not be criticized for accepting. It will be very difficult to get people to come down if they lose their right to pension plans, life insurance plans, and things of that sort. Because those are difficult to get on an individual basis.

Senator JACKSON. I definitely agree with you, Mr. Folsom. I have suggested to previous witnesses that after we take action, that is, make changes in the conflict-of-interest statutes, to bring those statutes up to date in the light of the problems we are faced with in Government recruitment, it might be wise for the Congress to pass further legislation which would authorize the departments to bring into the Government by contract arrangement with the companies, the universities, and nonprofit organizations, certain key employees, and

that this contractual arrangement would be spelled out as to the terms and conditions, which could include authority for retirement benefits to be paid, and the stock options maintained, in other words, to maintain the status quo and the adjustments that would normally occur during one's employment. In this way the Government would be protected, the company or the university or the nonprofit institution would be protected, and the employee would be protected, by having something spelled out in specific language so that someone can't come along later and say, "Well, you have done so and so in violation of such and such a law." This would give them a piece of paper that would tell the story in simple terms as to exactly what the contractual arrangement is.

Mr. FOLSOM. That would greatly clarify it.

Senator JACKSON. Do you not think something like that is needed?

Mr. FOLSOM. I certainly do.

Senator JACKSON. People may come down here with a nice letter but they really do not have anything that protects them.

Mr. FOLSOM. The arrangements with individuals vary.

Senator JACKSON. And maybe several years later the fellow finds that he is being investigated for something, whereas if he had some written evidence of the arrangement he would be better off. And when he checks back all he has is a telephone conversation or someone patted him on the back when he left the service.

Mr. FOLSOM. And that is why I think that it should be clarified.

Senator JACKSON. Senator MUSKIE.

Senator MUSKIE. Thank you, Mr. Chairman. May I, also, congratulate you, Mr. Folsom, upon your fine statement. I appreciate listening to it. I would like to ask just one or two questions.

Mr. FOLSOM. Thank you.

Senator MUSKIE. First of all, I share the concern that you expressed and that the chairman has expressed relative to the problem of attracting people into the Government service.

I appreciate, also, that some of the difficulties involved in the divestment of business interests of one kind or another and breaking off established loyalties in the business do present a problem.

I do think, however, that we ought to be careful as we review this problem that we do not go overboard in accepting a system of divided loyalties.

So I want to ask a couple of questions relative to some suggestions that you made, simply to get your reaction in a little different way than you have already stated.

In your statement, for example, you say that:

In the few positions where a conflict of interest can be foreseen, the executive should not be forced to sell his assets, but should be given the option of turning them over to a trustee who would have complete control as to investments, voting rights, etc.

Would this change in the management of the securities actually change the loyalties of the owners?

Mr. FOLSOM. Of course, he could give the power to the trustee to make any changes in the investments, and he would not necessarily know what the investments were.

Senator MUSKIE. Well, he would not be unaware of that for some-time until he had turned them over, and he would have a continuing

interest in certain companies, whose prosperity would affect the value of his securities.

Mr. FOLSOM. Of course, as to the type of man that we are talking about, I do not think that it would make any difference, but as long as he does not have any control over the investments it seems to me that you would get away from the chief difficulties.

Senator MUSKIE. I agree with the statement you just made that in many instances we are guilty of nit-picking with respect to a man's investments and business interests.

Mr. FOLSOM. Of course, in most instances.

Senator MUSKIE. And that we should take a calculated risk with respect to some of them.

Mr. FOLSOM. That is it, at least. I know that this arrangement has been made in certain cases.

Senator MUSKIE. Let me put it this way, Do you think that the conflict of interest arises because a man may be concerned with the relationship between his company's prosperity and the value of his securities, or do you think that the conflict rather rises out of established loyalty to his company?

Mr. FOLSOM. I do not think any men that you are considering for these top positions would ever consider the interests of his own company. If he did, he should not be in the job.

Insofar as the question of established loyalty is concerned, naturally, everyone has certain feelings and considerations, and you cannot change them, but I do not think that would affect his decision in any one particular problem that comes up to him.

Senator MUSKIE. However, what we are discussing here for the moment is the situation which may be rare or not, where there is a real risk of conflict of interest, and the question is, in my mind at least, whether in this rare or not situation the suggestion you make will really resolve the problem for the individual involved?

Senator JACKSON. What he is getting at, I think, if I understand Senator Muskie's question is, Will your proposal actually protect the individual in Government under this trustee arrangement—will they still be able to come back and say that this was merely a facade?

Senator MUSKIE. That is right.

Senator JACKSON. Senator Muskie is looking at it from the standpoint of trying to make sure that the arrangement will protect this employee who does work for the Government.

Mr. FOLSOM. In this trustee arrangement, as I have expressed it, the man in question has no control over the investments. He would probably have investments in several concerns. He would not know what his particular investments were. In fact, he would not want to know.

Senator MUSKIE. I think that you make a valid point.

Would you have the same reaction in the instance of the individual whose investment was primarily in one company, a company with which he had been associated all of his life? Let us take a specific case of Mr. Wilson of General Motors. In that case, do you think that public confidence would have been his, if the General Motors stocks had been placed in the hands of a trustee, and that it would have been all right, and that the public would have felt all right about it?

Mr. FOLSOM. I would not like to comment on a specific case.

Senator MUSKIE. Let us take Mr. Wilson's name out of it and pose the same facts.

Mr. FOLSOM. I think that when you get into an unusual case as that, it is quite a different problem. I do not know whether it would make much difference or not. I am talking about the problem in general.

I think in that case if he had any control at all over it, it would make some difference; is that what you are referring to?

Most of these cases would have to be gone into. And in most of them the investments would be diversified, and would not be in any one company.

Senator JACKSON. Will you speak up to the microphone. I think that it is a little difficult to pick it up. The acoustics in here are not the best.

Senator MUSKIE. In this same area you make several suggestions designed to attract younger men into the Government's service, and all of these suggestions would result in a strengthening of the ties between a young man and his company; that is, you assure him of a continuance of stock option rights, pension rights, and to the extent that you can, his opportunity for advancement, and so on—all of these operate to tie in even more closely and firmly with the company which he is leaving temporarily. Does this raise a problem in itself?

Mr. FOLSOM. No; it would not. As I said in my statement it is very rare that the individual in a Government position is going to be handling a problem with his company in which it is directly concerned.

In most instances, they will be here temporarily—you are not talking about a longtime Government career person—I say that you cannot get these people to come, unless they have a fairly good assurance that they will be able to go back with their company.

Senator MUSKIE. That makes a lot of sense.

Mr. FOLSOM. So you have got to take that aspect into consideration. Once a man gets down here you will find it is very rare that he would have to deal with problems relating to his own company.

There are very few cases that would arise. I think that in that case, he would turn it over to somebody else, if there was a conflict of interest.

In my own experience I did not run into any difficulties along that line in dealing with the problems in which my former employer was involved. And for people coming down here to join the Government, we make it very difficult for them.

Senator MUSKIE. In this whole question of conflict of interest are we not concerned simply with instances in which a company, in which a Government employee is interested, may benefit by contracts, or are we concerned about a more general problem, that of the influence of a man's business interests, as opposed to the whole business of Government policy?

Mr. FOLSOM. Well, of course, that depends upon the individual. You try to get people here from the professions, industry and everywhere else for certain jobs. You are going to have some fellow who will be more inclined to one point of view than another. If he is the type of man you are looking for, the fact that he ever worked for a company, I do not think, makes any difference.

The main thing you want is the type of experience he has had. It is very valuable to have that.

On the other hand, there are jobs where I think a lawyer is better equipped than a businessman, because of the type of his experience. So far as the individual lawyer is concerned I do not think that it is difficult.

You want the experience.

So far as policy is concerned we are assuming all along that these individuals are going to follow the policies of the President, because they are Presidential appointees. He works within those policies.

Senator MUSKIE. I appreciate the classification, because you have given me your point of view.

Mr. FOLSOM. Thank you.

Senator JACKSON. Mr. Pendleton.

Mr. PENDLETON. I want to congratulate you on the services you have rendered to the Government and the American people. I think that it shows the job that American business is doing for the Government.

I do not think that we should be too harsh in looking at the service of the businessman in Government and, therefore, underrate what he has done.

You cited some figures as to businessmen in Government service from the study of the Harvard Business School. You gave the figures, citing the statistics of those who had served in Government and had left. I think that we should add to those figures, in order to have a good and complete record, those pertaining to the businessmen in Government who presently are serving and who have remained. I think that makes a good balancing and a good story for businessmen in Government. It shows that, of those presently in Government, 59 percent have served more than 3 years, and that the average term of service is 4½ years.

So I think it shows the jobs that the businessmen in Government are doing.

Mr. FOLSOM. I think that is very good. Other people do come in and stay.

I was dealing with those who were here on a temporary basis.

Mr. PENDLETON. I think it is difficult to distinguish those who come temporarily and stay a few years. Then the service becomes more appealing to them and they remain on. But that is still a businessman serving in government.

Mr. FOLSOM. Yes.

Mr. PENDLETON. Thank you, Mr. Secretary.

Senator JACKSON. Thank you, Mr. Pendleton.

Once again, Mr. Folsom, we want to express our appreciation to you for taking the time out to be here and help us with these important problems.

We look forward to seeking your counsel again as we try to come up with some constructive changes.

It is obvious that in order to improve this situation we will certainly have to make changes in the law. We have situations now that are directly incompatible, I think, with modern-day requirements of government.

We are grateful to you for your invaluable contribution.

Mr. FOLSOM. I am very pleased to hear that and hope that I can be of further assistance to you.

Senator JACKSON. Thank you, sir.

Our second witness this morning is Mr. Crawford H. Greenewalt, president of the du Pont Co., and generally recognized as one of the country's outstanding industrial statesmen. In the course of almost four decades with du Pont, Mr. Greenewalt has had the opportunity to observe and participate in the working relationships between government and industry. Trained as a chemical engineer, he played an important role during World War II in translating nuclear research into practical applications for our atomic energy program.

Mr. Greenewalt now serves as a member of the Business Advisory Council of the Department of Commerce. He was recently appointed to serve on the President's Commission on National Goals.

Mr. Greenewalt, it is a real privilege to have you with us today, and we want to extend a warm welcome to you. We will be happy to have any comments that you would like to make in a preliminary way, and then we will ask you some questions.

Prior to doing that, we are very pleased that your able Senator is here this morning. Senator Frear, do you have any comments?

Senator FREAR. Mr. Chairman, it is not often that a pleasure such as this is presented to a representative of the people of his State, to have such a distinguished constituent come to Washington to give us his advice and counsel.

We feel that the company that he represents, little as it may be, has demonstrated many things, especially those in which, I believe, your committee is now interested with respect to its cooperation with the Federal Government. The examples, I know, that he can recite, will be very valuable, and I think that you will enjoy his testimony today.

Mr. Chairman, it is indeed a pleasure to have been invited to come today. I greatly appreciate it, and I am very happy to welcome Mr. Greenewalt again to Washington as a witness.

Senator JACKSON. Would you like to remain. We would be very pleased to have you do so.

Senator FREAR. Thank you very much.

Senator JACKSON. You can sit down there or come up here, and sit with us.

Senator FREAR. This will be all right.

Senator JACKSON. You may proceed, Mr. Greenewalt.

**STATEMENT OF CRAWFORD H. GREENEWALT, PRESIDENT,
E. I. du PONT de NEMOURS & CO., WILMINGTON, DEL.**

Mr. GREENEWALT. Mr. Chairman and members of the committee, I feel a little bit embarrassed about appearing before you, particularly after the distinguished witnesses you have already had.

I labor under this difficulty, I have never had a tour of Government service, so that I cannot speak at firsthand as to what is involved in getting able people to come down here to serve.

I suppose that the closest I ever came to Government service was my connection with the atomic energy program during the war. That was as a company employee and not as a Government employee.

Senator JACKSON. In your defense, however, I want to say that your company has performed in the past, and is continuing to perform valuable services to Government in several fields and, in particular, from my service on the Joint Committee on Atomic Energy of some 11 years, I know of my own personal knowledge the great contribution that your company has made. I know you are familiar with some of the problems in the light of the association that your company has had with the Federal Government. I believe that Du Pont is now operating the Savannah River operation as a contractor.

Mr. GREENEWALT. Yes.

Senator JACKSON. Among other projects on which the company is assisting the Federal Government.

Mr. GREENEWALT. Of course, we are very glad to do that.

I think that as a preliminary statement, I might make just a couple of points. It is always worthwhile to define a problem before you attack it.

It seems to me that this problem of getting able men into Government can really be divided into two parts.

One is the question of persuading people to make Government service a career. This is a question that we also face in industry. The problem is to make careers in Government sufficiently attractive so that numbers of able people when they get out of college will wish to serve their Government. This, I gather, is not the problem which you wish to explore with me.

That brings me to part 2.

As I understand it, the thing that concerns you is the case in which you wish a particular individual to come here for a special task for which, presumably, he is well qualified, and what you are asking, it seems to me, is that the individual interrupt his career with his employer to come here for a tour of duty with the Government.

You do not approach it from the point of view of asking him to leave his employer, and to come down here permanently. You are asking him, in essence, to interrupt his career for a period of 1, 2, 3, or 4 years of Government service.

I think that distinction is an important one, because it means implicitly that the man is interrupting his career and has every expectation of returning to it and completing his career with his employer. I think this consideration is important from the point of view of the whole conflict-of-interest question, because it seems to me that it is in a sense a contradiction in terms.

What you are asking a man to do is not to change his career but to interrupt it. You are quite willing to have him go back to his former employer on whatever terms he can arrange. You want him to come down here and serve the Government for a brief period of time to do a job that he is competent to do, but you are perfectly content not to ask him to interrupt his own career.

Senator JACKSON. We would not want that to happen.

Mr. GREENEWALT. To be sure.

Senator JACKSON. I just want to make this observation. I would appreciate having your comments in this light, if it will help. We have heard so much about the broad challenge that we face that I think Americans generally are beginning to appreciate and under-

stand it. What it really boils down to, as I see it, Mr. Greenewalt, is that the human resources that we need to mobilize to face the Communist bloc challenge cannot be found in the area of the Government alone. The resources that we need to cope with this ever-changing situation are located everywhere in America. We will have to draw from the universities, from industry, from all of our free institutions.

This being the case, it seems to me, that one has to face up to the fact that some way, somehow, these resources, that is, human resources, must be brought into the Government when needed, and released when there no longer a need. Otherwise, the Federal Government would have to be all of America and this would be an impossible situation.

And more important than that, it would be completely ineffective.

So it is in the light of that situation, this new, entirely new responsibility that has come to the Federal Government, that I put this broad problem to you, and ask what can be done about it in the area that you are familiar with, industry. I am sure that you will have have some comments to make that will reveal to us some of the problems that you face in wanting to do something in that regard.

Mr. GREENEWALT. I suspect very strongly that the problems are more on your side of the fence than on ours. I have tried to define this problem on the basis of a brief interruption of a person's career. Let us examine that for a moment from the point of view of the employer.

In the first place, we recognize the need very clearly. We know very well that it is people who run business and who run Government. All of the bricks and mortar in the world, and all of the organization charts in the world do not make a successful enterprise. It is the people who do it.

You have got to have good people. There should be no doubt about that.

Looking at it from our point of view, solely, we have been willing and are currently willing, so far as the du Pont Co. is concerned, to allow our able young people to come to Washington to take on this tour of Government service. Actually, in all of the cases that I can recall where that question has been put up to us, as an employing company, we have never said "no."

Senator JACKSON. If you were permitted by law, as I gathered from your letter to us of April 26, to maintain the regular fringe benefit plans and the like, you would be willing to carry them on, that is, those that they might be entitled to, assuming that it comes within the law.

Mr. GREENEWALT. Yes.

Leaving your problem out of it for a moment, and considering it only from our point of view, what it really comes down to, is this: If we are willing to let one of our top people come down here and serve, that really is a gift that we are making to the Government.

So that having crossed the bridge of being willing to let him go, then the rest becomes of minor impact.

So on the few occasions when our people have come down here, we have been quite prepared to send them down on a WOC basis, and have done so.

From our point of view, there are several reasons for that. In the first place, we have always felt a very keen obligation as a company

to serve our Government, and have done so over a great many years, as a matter of fact during all of our history.

The second thing is that there is a fringe benefit. By and large, a capable young executive will benefit by what he learns during his time here, and in the sense that he broadens his background and experience, he becomes a more valuable man for the company. So from our point of view, we really have no problem provided the man is willing to come.

However, if you came and asked for 100 top executives, we would be a little embarrassed. If you asked for two or three we would not be embarrassed at all.

From our point of view, we would be quite prepared to maintain their pension rights, their rights in our bonus plan, the insurance plans, and again within reason we would be willing to go a step further to hold their position open.

This is why I say that I do not think we have any problem. I think the problem really is yours, because there is serious doubt whether, under the present statutes applicable to this kind of situation, that could be done.

Senator JACKSON. What is your judgment as to the maximum period of time that you could afford to permit your employees to work continuously for the Government and still come back to the company and have an opportunity to participate fully in the promotion arrangements?

Mr. GREENEWALT. Here again there are obvious limits. If a man says that he wants to come down here for 10 years, we would say, "we are sorry, that is impossible—but if it is for 1 or 2 years, all right."

Somewhere beyond that you get into the twilight zone.

A great deal would depend upon the individual, his age, and where he was at that particular moment in his career.

Senator JACKSON. It would be more difficult with the middle executive, would it not?

Mr. GREENEWALT. Yes, I was concerned with the problem of the man as distinguished from the problem of the company.

While we would be willing to do all of this, the man might have a different point of view. I think that any honest individual is perfectly willing to serve his Government within the limits of his ability. I do not think there is any doubt about it.

Now I am speaking of people in the age bracket from 35 to 45, who at that age, are really at the turning point in their careers. If you are going anywhere, you are going at that time. When you get to be 50 and still have a junior executive job, the possibilities of making a real improvement in your position become less and less.

So I think the thing that worries the fellows most is, will they lose an opportunity while down there. This is a thing on which we could give no complete guarantee. Our company has to go on, and if a position becomes vacant, it has to be filled. We cannot say, "we would like to put Joe Smith in it, but he still has 3 years to serve in Washington." We cannot hold a job open that long. It simply must be filled.

So if he was a candidate for it, he has, in effect, lost that opportunity. We cannot guarantee that he won't. Of course, the importance of that varies almost directly with the time that is served.

If he is asked to serve 1 year down here, the chances of his missing an important opportunity are very slim. If it is 2 years, almost equally so, but when you get into 4- or 5-year periods, and a man is 40 to begin with, then he is taking a chance.

And this is why, actually, we have never pressed a man to take a Government job. We say, "We will do our very best to see that you have every opportunity, but we cannot guarantee that. You will have to make the decision yourself."

And assuming the financial question is all right, this is the thing that worries them most. And here, again, this depends very largely on the period of time for which you want him. The longer it is, the harder that decision is for him to make.

Of course, there are different categories of people. In the case of men who have arrived, are close to retirement, and can retire voluntarily, you have no difficulty. I believe that was Mr. Wilson's situation.

Where men are in their early sixties, their companies, I presume, like ours, have a provision that one can voluntarily retire. And they can stay here as long as you let them, and there is no problem.

But with a young fellow of the caliber that you want, and you want the really good ones, and not the duds, they are at a point in their career where they may miss important opportunities by being here.

This is a great concern from the man's point of view, less from our point of view.

If you want him badly enough, and there are not any other alternatives, of course we will help. However, that is rarely the case.

Senator JACKSON. Mr. Folsom this morning alluded to the marvelous British tradition that has been built up over the years. I think that is one of the outstanding examples of a community attitude toward public service. Every young man in 19th century England felt a deep responsibility to his country for helping maintain a very complicated system throughout the world called the Empire. There was a strong feeling and has been since that time for Government service.

I realize that you cannot legislate a tradition overnight; in fact, you cannot legislate tradition at all. There may be some things, however, that we can do.

What do you feel as a businessman can be done to instill in the people of this country a high regard for Government service, for participation in Government service, whether it is career or part time—what do you think that we can do to help this situation?

Mr. GREENEWALT. I think that the initial problem is yours.

If you look at it this way, for example, we in the du Pont Co. are competing with many other employers for competent talent. This problem of getting the best possible people to work for you is universal among businesses. We compete with Mr. Folsom's company. We compete with many other companies.

Senator JACKSON. And we are competing with the entire Soviet bloc.

Mr. GREENEWALT. We are. The most important question, really, is one of atmosphere. I suppose that we pay as well as Eastman Kodak, and Owens-Illinois. We cannot count on pay alone to get people. They have to feel they are wanted in the first place. They have to

have a feeling of accomplishment and that you have an interest in them as an employer.

If you say in one breath, "We want you" and in another breath "You are a crook," and have these walls of regulation to prevent them from doing anything that will favor their employer over their Government, I would say that is an awfully poor atmosphere, and to try to persuade them to come down to work here in that atmosphere would be impossible. In other words, if I can put it bluntly, it might be just as well if some of the agencies down here took a course in employee relations and what is involved in creating the atmosphere that will attract young people to come here and work.

We work at that every day, because this is the way we get competent people and keep them.

As you know, an executive gets an offer from someone else and if he goes, and you lose him—you lose his talent. We have very rarely lost anybody at any important executive level.

This is not only a matter of money, because some have turned down jobs that paid more than we were paying. It is one of ethics and atmosphere. We have created one that they enjoy working in and living in.

I do not know whether that is the case down here.

I would suspect that the very regulations that apply to people coming down here, who interrupt their careers, and so forth, is almost *prima facie* evidence that while you like them, you do not really trust them.

It seems to me as long as you have that atmosphere, you will have trouble.

Senator JACKSON. One thing, of course, that would help would be to clarify the statutes with reference to conflicts of interest. It does afford, of course, to some people who want to take advantage of it, an opportunity to raise serious legal questions. This, of course, stems from the fact that we have archaic laws on the books that really work against the public interest today, when you consider the enormous responsibility that has been placed on the Federal Government in the light of the international conditions.

Mr. GREENEWALT. If I could pursue that point just a bit, our legal people tell me that there is some question under the present conflict-of-interest regulations as to whether you could legally maintain a man's pension rights.

Then there is the business of selling their stock interests. The whole premise is that this fellow is going to favor his employer, rather than the Government, unless you put every possible block in his way.

The atmosphere, therefore, is that you ask him to come down, and you are suspicious of him.

I think most people are honest. I do not think that you can legislate probity under any circumstances.

A man is honest or he is not honest. If he is going to be dishonest, the mere fact that you make him sell his stock and cancel out his pension rights, will not stop him.

Senator JACKSON. I think that is wise advice.

Mr. GREENEWALT. I cannot emphasize too much this question of atmosphere. When you get down to how a company gets good people—this is really the question whether you provide the proper at-

mosphere, and it is as simple as that. If you create an atmosphere where you say, "We want you to come down here—we know you are going to make a contribution," they will come and be happy about it.

Senator JACKSON. Do you think a recruitment program at the college level, in which the Federal Government might seek 50 or 100 outstanding graduates each year to go into Government service, would be helpful?

Mr. GREENEWALT. This is for a permanent Government career?

Senator JACKSON. Yes.

Mr. GREENEWALT. Yes; I think that would be very helpful.

Senator JACKSON. Industry is doing it very effectively and to its obvious advantage.

Mr. GREENEWALT. Yes.

Senator JACKSON. The Federal Government is doing it in the field of science in various areas. The Navy has a program and other services have programs. We have the National Science Foundation.

When it comes to encouraging bright young men and women in the field of Government administration, I think we have been a bit derelict. It has occurred to me that there are people in the universities who could make a great contribution to Government service.

Mr. GREENEWALT. Of course, this is simply an ABC of industrial recruitment. It would seem to me that if the Government wants good people it could very well do the same thing. This, I assume, is for the career people.

Senator JACKSON. Yes; I am referring to them.

Mr. GREENEWALT. I am not referring to the others.

Senator JACKSON. I am talking about picking the cream, picked on a highly competitive basis—the outstanding, bright young men and women—and doing that each year. We might start out with a limited number as a pilot undertaking, and then gradually build it up.

Mr. GREENEWALT. If you have enough people who will make a career of Government, you could really handle these things yourself. If you have enough competence in Government, in the administrative agencies, as well as confidence, you will not have to go outside. And, certainly, with an increase in the caliber of Government people as a whole, you cannot lose on that. You can only gain.

Of course, getting bright, intelligent people to come into Government initially in their career is very important.

Senator JACKSON. Senator Muskie has some questions. He has to go to another meeting.

Senator MUSKIE. I like very much the commonsense approach you have to this whole problem. I am sure that all of those of us who are concerned with this do not want to keep people who come from business into Government service from feeling other than welcome. It is not, certainly, an issue.

However, I suspect that we are not quite ready to say that there are no conceivable conflicts of interest which should not be of concern to the future of this country.

You make the point that we ought to make the prospect feel at home.

On the other side of it, let me say that it seems to me there is this question. All of us who have come into Government service have come into it knowing that we sacrifice opportunities for other measures of

success, more material measures of success that we could achieve in other fields of endeavor. Do we really want to make the prospect feel that he can come with complete security, without any sacrifice at all, without any risk? In other words, should our objective be to make him completely whole after he has left Government service? And should we so change our statutes as to leave no doubt in his mind on this score? Is this the kind of person that we want in Government service?

Mr. GREENEWALT. I think that you are being much more specific about this than I had any intention of being. I think that you should approach a businessman on the assumption that he is an honest man and that if he accepts the job he will do it to the best of his ability.

Senator MUSKIE. We can agree on this.

Mr. GREENEWALT. Under those circumstances I do not know that you need any conflict of interest law, although I am no lawyer and I do not know all the ramifications of it. But just as an example, when we hire a man in the du Pont Co. we do not make him swear to certain things. We simply assume on the basis of our appraisal of his character that he is an honest man. Sometimes we make mistakes. If we make a mistake he gets fired.

Senator MUSKIE. Let us take the other extreme. We, certainly, I would think, would want to so frame our laws that it would be impossible for the president of a great automobile company to be Secretary of Defense on a simply leave of absence basis, without divesting himself of any interest in the company, because of one or two things that would happen. First, we would be deprived of the services of his company, because you would lean over backward to insure that his company did not benefit from his association with the Department of Defense; or (2) if we got the rare dishonest man, his company would get a disproportionate amount of Government business.

Mr. GREENEWALT. Frankly, I think the burden of proof there is on you gentlemen.

I have often thought, really, in the Wilson episode, what I would have done myself.

Senator MUSKIE. It was a tough one.

Mr. GREENEWALT. I have a great deal of du Pont stock. And if I had been told to sell all of it, I would say, "Well, maybe I would be willing to sell it, but what about my wife who has a large amount of du Pont stock, and what about my children who have some? Have I got to take myself, my wife, my children, and my grandchildren out of the du Pont Co. so there is no possibility that the du Pont Co. will benefit?"

Of course, that is a sacrifice I would be willing to make for myself, but which I would not be willing to impose upon my wife and children.

After all, it seems perfectly silly to say that if I get rid of my du Pont stock I am going to be clean, but my wife can keep hers. If I am going to be venal for myself, sir, I would be venal for my wife and family.

Senator JACKSON. I was just going to say that technically you would comply with the conflict-of-interest statute, unless you were in a community-property State.

Mr. GREENEWALT. That is true.

Senator JACKSON. It points up the fact that the statute certainly does not carry out its intended objective. I am sure that the members of the family would not have to divest themselves. So it is absurd in its application. That is all I wanted to say.

Mr. GREENEWALT. Well, let me put it to you this way: I am very strongly of the opinion that the great majority of individuals who come here and agree to take a top administrative post for their Government would do that job with the most complete honesty and integrity, regardless of their other associations or other interests.

I start with the premise that people are honest. These conflict-of-interest regulations start with the premise that they are not. This is really the bone of my contention with you.

Senator MUSKIE. Well, you have laws against embezzlement, and we have these because of the assumption that people are dishonest.

Mr. GREENEWALT. That is crooked and you get punished. I think that is good.

Senator MUSKIE. You make two very valid points that I would like to go into before you develop the question that we are adversaries on. You make two valid points.

No. 1 is that it is almost impossible for a man to divest himself of all that he has accumulated, or all of the associations which he had developed, so that you can say that he is anesthetized. This is impossible; we know that.

And so our policies lead to absurdities. Of course they do.

Secondly, you made the valid point that our policy should be so devised as to assume honesty on the part of people. We should not create any doubt in their mind on this.

On the other hand, there is the very serious question of public confidence that is involved and how you devise your policy to meet the occasion of the dishonest person, to protect the Government from him, which is the real problem.

Mr. GREENEWALT. Well, there is only one way of having confidence, and that is to have able people.

For instance, if you got a person to head the Defense Department that I thought was a nincompoop, you could make him as clean as a hound's tooth and I still would not have any confidence in him. On the other hand, if you got a man who kept all of his investments, and all of his fringe benefits, and all of his pension rights, and yet I thought that he was an extremely able person and a very wise choice, I would have all the confidence in the world in him.

I think you are attacking the wrong thing. I do not think that people have confidence because of what you make a man do, or how impossible you make it for him to be crooked. They have confidence in the individual.

Why do your constituents have confidence in you?

Senator MUSKIE. They know me—but they may not have confidence in me, either. But if a man is chosen whom they do not know—

Mr. GREENEWALT. The point is that it is a matter of character.

Senator MUSKIE. They may not know his character.

Mr. GREENEWALT. Well, they will, by his deeds, and by the attitude he has toward his associates. In other words, I think that we are really hammering on the wrong nail.

Senator MUSKIE. No, we are not really, because what we are doing is trying to review existing policies to see whether they should be changed. You advance a point of view that needs advancing and all I am trying to get you to do is to nail it down in terms of as many specifics as you care to present.

Mr. GREENEWALT. You understand that I am politically very naive. I do not know what is possible politically.

Senator MUSKIE. I cannot think of a more attractive political philosophy to assume than the one you do.

Mr. GREENEWALT. What you can do politically and what you cannot, I do not know.

Advancements in the du Pont Co. are made on the basis of character and proven ability, and nothing else.

Senator JACKSON. May I interrupt? Let us go off the record.

(A brief discussion was held off the record.)

Senator JACKSON. We will recess to vote.

(A short recess.)

Senator JACKSON. The subcommittee will come to order.

Senator MUSKIE. I would like to say this, to try to get us back on the track in the right way. Senator Jackson indicated almost at the outset of your testimony what our problem is, that is, of getting the skills that we need and the experience and the know-how that we need in government. This conflict-of-interest problem is a problem. I do not think that we should pussyfoot about it. I think that we ought to look at it from every conceivable angle, pro and con. And that is why I put the questions to you.

Mr. GREENEWALT. Yes, I understand that. I understand there is a lot of tradition to it.

What I am trying to say is that the importance of conflict-of-interest regulations to protect the Government is greatly overdone. I have a strong suspicion that as a practical matter, not as a political matter, you could get along without them.

Senator MUSKIE. Would it, also, be true insofar as getting Government contracts for his company, he could use political influence more effectively if he were personally himself not in the company but the occupant of an important policymaking position?

Mr. GREENEWALT. Well, that is certainly possible. Here again, I do not speak from very much experience, because, really, our position has been that it has been the Government knocking on our door rather than vice versa. So that, for example, we had to be urged to assume the Savannah River project. It was a major undertaking that we certainly were not seeking. As you know, we are doing it for no pay. We are doing it as a matter of patriotism, if you want to use that word.

This whole business of how one gets a Government contract, if one wants it, is not anything with which I have experience.

Here again, I think I would bank on the integrity of the individual. And if there were a conflict of interest that arose in his mind, it would be resolved in terms of his current employer, which would be the Government of the United States. I cannot really imagine his doing otherwise.

Senator MUSKIE. Let me suggest another consideration here. Most people who come into Government business for the first time are

strangers to it. They are completely unaware of the kind of situation into which they are stepping. It seems to me on the point of view you have just expressed, the setting up of standards of some kind, possibly a code can be valuable to a man coming in from industry, something to suggest to him at the very outset some of the problems he may have in this area, in his own mind, when he steps into the position. Is this a valid observation?

Mr. GREENEWALT. Well, I wonder a little bit. I think of these people in terms of what we would do in the du Pont Co. That is all I know.

I told you at the beginning that I have never had a tour of Government service. So, really, I do not know what happens down here or how, specifically, you do the job.

I do know this: the thing that we think about in the du Pont Co. is the character, the ability, the loyalty of the individual.

We do not believe that we have to write rules as to how he should conduct himself. As a matter of fact, we refuse to become involved in his personal affairs. The whole question is what kind of a man he is—what kind of character he has. The question is whether he is doing his job, and not how he behaves.

Senator MUSKIE. Do you ever have the problem of taking on a man from a competitor?

Mr. GREENEWALT. That is almost unknown with us.

Senator MUSKIE. You have no competitors or you are not likely to?

Mr. GREENEWALT. We have many competitors.

Senator MUSKIE. The question was facetious.

Mr. GREENEWALT. I think that there is a point here, that has to do with the question of atmosphere, which is an intangible thing, to be sure, but a very important one. The only reason we would be interested in taking people from our competitors is that we had done a poor job ourselves in developing people. We have 80,000 employees. If we cannot develop 2 or 3 potential presidents out of those 80,000 people, we are doing a very poor job. It should not be necessary for us to go to our competitors.

Furthermore, the very practical answer is that a fellow who has worked for du Pont, for 20 or 30 or 40 years, knows the company, he knows its principles, he knows the people in it. And he is a man of given ability who has worked with us for a period of time and is much more valuable than a fellow that we would sort of pluck from a competitor.

And I think that this, perhaps, is really the heart of your problem here. In other words, the development of a feel for public service that will, by its very nature, attract people, so that this problem we are discussing today becomes less and less important.

Senator MUSKIE. One witness yesterday raised a problem in this connection as to what extent can a career Government employee invest in the securities of companies that do business with the Government. That problem was raised. I did not raise the problem, someone else did.

Mr. GREENEWALT. Whoever did, I refuse to agree with him.

Suppose we said to one of our employees, "If you buy a share of stock that is not du Pont stock, we are going to fire you." That would be perfectly asinine.

I suppose that there are a great many employees of our company who have stock in competing companies. It would not occur to me to even ask the question.

The thing we are interested in is their integrity and loyalty as employees.

If a conflict of interest develops they are going to resolve that conflict of interest in favor of their employer. We assume that.

Yesterday, I understand, the gentleman from the Civil Service Commission said that he never bought any common stock while he was the head of the Commission. Why on earth not?

Senator JACKSON. I think in fairness it should be pointed out that he mentioned in that connection that he was then in the Bureau of the Budget.

Mr. GREENEWALT. Very well.

Senator JACKSON. Handling matters in which the Government would be in a position to influence the value of stock in certain companies. He had this knowledge many months in advance. And he pointed out that situation just to show that if he had taken advantage of the situation and he had made investments, although he said he made hypothetical investments, his testimony was to the effect that in all but one instance he would have made a very substantial profit in the stocks.

Mr. GREENEWALT. That is entirely another matter. As a matter of fact, we have in industry conflict-of-interest regulations of that kind, too. If an executive of the company buys stock and sells it within 6 months, the profits on the sale can be recovered for the company. That is because of the Securities and Exchange Commission regulations which bear on the same point.

It seems to me that the average Government employee is simply investing to safeguard his security, and it would be foolish to quarrel with him over that.

Senator MUSKIE. You are not going to quarrel with me. Thank you very much. I appreciate this colloquy.

Senator JACKSON. Mr. Pendleton.

Mr. PENDLETON. Mr. Greenewalt, I was very much interested in your discussion of the problems of the man in his middle career, the difficulty in his deciding to come to Washington.

In this subcommittee we have the problem of getting better people to come to Washington, to do a better job, and to remain longer.

One of the problems we face is the rapid turnover by people who come in executive positions.

Some of the witnesses have been critical of the turnover, as for example, of a man who stays for 1 or 2 years. On the other hand, do you not think, in view of what you have indicated about his problem back home, that that businessman in the middle of his career, has not received adequate credit for the service that he has given, even though he has remained only 1 or 2 years?

Mr. GREENEWALT. Credit from whom?

Mr. PENDLETON. From, probably, the public.

Mr. GREENEWALT. Frankly, I am not sure that makes much difference. Businessmen usually work in an atmosphere of anonymity. We do not sit in the limelight.

What the general public will think of any of our executives is not as important as what his boss or his immediate associates think of him.

I am not sure that this question of credit is really very important. The man will have the satisfaction of the caliber of work he has done while he has been down here. That is where he derives his satisfaction.

As to this matter of business career that you have mentioned, that is a difficult problem. As I tried to develop earlier, the longer you want him to stay here, the harder it becomes.

I can review a lot of careers in the du Pont Co., and the period of rapid rise usually happens in the late thirties and the early forties. This is where the decision is finally made as to how far the fellow is going. And it is hard time to be away.

Where the man has arrived, it becomes less difficult for him because he holds a top job. For example, if you were after one of our general managers—he has arrived. He has only one level of promotion left. He, probably, would be able to ascertain what his chances were of getting that.

Furthermore, we could keep his job open. You sort of fill in the ranks on a temporary basis.

Also, the man in his sixties, who is eligible for voluntary retirement, could make that election with very little difficulty to himself. He would lose the extra income for his last 5 years of employment, but by the time he gets to be 60, his kids are married, he is pretty well fixed, he has only himself and his wife to take care of. He does not have a very difficult decision. The problem occurs in this group of 35 to 45.

Here again, I would like to distinguish between the employer and the employee.

I might, as president of du Pont, be quite content to have one of these younger men come down here for a 4-year tour of duty. On the other hand, I could not guarantee to him that he would not miss an opportunity by doing so. I simply say to him, "well, Joe, there is the opportunity. I can only give you a limited guarantee. We will do our best for you, but you have got to make that decision."

When you pile on that tough decision the conflict-of-interest regulations and the loss in compensation, unless you are willing to let the employer pick up the tab for the difference, you are putting an awful burden on that young man.

Mr. PENDLETON. Thank you very much.

Senator JACKSON. Thank you, Mr. Pendleton.

I have a few more questions, Mr. Greenewalt.

We all know that prior to technology playing a very important role in Government, that is in the Federal Government, that your firm had done an outstanding job in working for the Government as a contractor on work the Government would not have been able to do itself.

One of the problems that I think we face in the Federal Government, is to bring in from time to time, at the Federal policymaking level, outstanding scientists and technicians, who can pass judgment on the results of various contractual arrangements that the Government has. I wonder if you have any comments in this general area. I feel personally we are short on people of a special competence to assist in making sound policy decisions.

Your company has, I think, from time to time, made people available to assist in connection with important Federal assignments at the higher levels.

Mr. GREENEWALT. We have done that really in two ways.

I think the most common way is that a great many of us, myself included, have served on advisory committees of one sort or another, with respect to the various agencies here, which we are glad to do.

On the other hand, if Mr. Glennan, for example, asked me if a group of us would serve, not as a named committee, but just to come down and talk over some problems, I would be very happy to do so if I could be of assistance.

So you get all of the people you want on that basis.

I do not think you have a problem in the world there.

The problem really begins when you want a man to sever his connection and come down here and work.

I do not know, but perhaps the Government could do more contracting when these matters of judgment come into the picture. Of course, you contracted with us for the Savannah River job. This is a job where we designed, constructed, and operate a very major undertaking for you, which involves many thousands of people.

It seems to me that where you have confidence in the judgment that the du Pont Co. can bring to bear on a problem, you could get help of people who can tell you whether in their judgment it is being handled right. I think more of that can be done. In my experience, there has been very little of it.

But what you tend to do is to contract more for the accomplishment of a given mission, and you are contracting less with people who would be able to exercise judgment, and simply give you the results of their judgment.

Senator JACKSON. The Government has been making more and more contracts with corporations, universities, and the like to assist in this regard, to avoid the necessity of building up a Federal bureaucracy to accomplish it. I think it has been a very invaluable help.

What I want to get into for a moment, is whether or not you had any problem in making available technical people to assist the policymakers in making decisions in their areas where technical competence is a prerequisite. One of the things that disturbs me is that we can contract a lot of these things out. And this is good. Then when you get your recommendations from the contractors, they must reach appropriate levels in Government for decision. What is the role of industry in providing technical competence to assist the top level policymakers in reaching proper decisions? Could you elaborate a little on that? That is, what experience your company has had and difficulties if any, and suggestions for improvements?

Mr. GREENEWALT. I do not think that we have ever been in quite that posture with the Government. The only thing that I can recall that bears at all specifically on the question you raise, is the service of many of us on these advisory committees, for some branch of the Government.

Senator JACKSON. I agree with you that the advisory role is helpful.

Mr. GREENEWALT. Where technical judgment is involved, what you are really saying is, have we ever made people available simply to exercise judgment, as distinguished from carrying out a mission; is that it?

Senator JACKSON. It is both. I think that the Government is sorely in need of people with peculiar competence to understand the subject

matter that is presented for top level decision and, also, judgment and a broad understanding of problems generally, so that there can be an integration of scientific and technical with the other factors that must be resolved. I mean, in your case—you are a professional chemical engineer, I believe——

Mr. GREENEWALT. I was.

Senator JACKSON. You are an example of what I am talking about. You have a fine technical background. Then you have been in the administrative and the management end of the company, so that you have the advantage of being able to identify the problems technically when you bring in your technical people to talk with you, but you, also, through long association with the company, have management competence and a broad judgment as it relates to the many problems that one faces in business as a whole, outside of your professional qualifications. We have the same problem at the Federal level.

It seems to me that one of our real needs is to get good people from industry who have that broad understanding. I just wonder what your reaction is. I am not trying at this moment to be specific with my questions, but just trying to present this problem to you.

It has been easy for the Federal Government to contract out, but is it just as easy to bring to the Government, for a period, maybe, of 1, 2, or 3 years, competent individuals who can make the proper policy decision at the appropriate time?

Mr. GREENEWALT. It is certainly not easy. Your principal question is how do you get able people who have this kind of judgment to come down here and exercise it? The need is certainly there.

The experience that you get in industry and the exercise of judgment, really, is the exercise of choice more often than not. The question really is, do you do this, or do you do that, because you recognize that you cannot do both. And the thing that you really do in industry is to have the qualification that enables you to make judgments of choice which are right, at least, in the majority of cases.

Senator MUSKIE. Is this not, also, true that you cannot get this kind of competence in the career Government service, no matter how attractive you make the career Government service, because it is essential that you get the judgment of people who have developed the necessary technical skills in industry that find these skills essential?

Mr. GREENEWALT. If you had asked me 10 years ago, I think I might have agreed with you. It seems to me that rightly or wrongly—and this is essentially a political question—the Government is big business.

Actually, if you compare the business aspect of the Federal Government with the du Pont Co., we are like the corner grocery, relatively speaking. If you are going to stay in big business—for example, if you are going to have a defense establishment for the foreseeable future that will cost you \$40 billion a year or whatever it is to maintain, and you are going to do all of these other things that you are doing—it seems to me there is really no alternative but to develop talents of the sort that you are talking about within the Government itself.

Senator JACKSON. You can only get, Mr. Greenewalt, a limited number in that category. I think it would be unwise for the Federal Government to try to bring that about in all fields.

The world situation is changing. It would be a lot better to get people in from time to time when you need them and then let them go back to industry.

Mr. GREENEWALT. I could see that as a solution in certain specific cases, but if I understood you, Senator Muskie, you were saying this: can we develop that kind of people as Government career people and my response to that was that if you are going to maintain a business establishment as large as it is, you are going to have to do so.

From your point of view, Senator Jackson, it seems to me that if you have a problem in biological chemistry, and you ask us, say "let us have a certain grade of biologist to help on this particular problem," surely we will do so.

But the problem in industry, in management, really comes down to this thing of making judgments, and judgments of choice.

Frankly, I do not see how you can run this establishment of yours on the basis of borrowing that kind of people for 1, 2, 3, or 4 years from industry. I think you have got to look forward to developing a career echelon in Government that will, eventually, be able to supply the major part of the executive judgment that you need.

Senator JACKSON. Can I debate the point with you for a moment? May I submit that some of the developments in the field that you know so much more about than we do, about science and technology, come to the Government with such rapidity that it is not possible, necessarily, to have these people trained and you need the assistance.

Let us talk about space for a moment. Obviously, we did not have within the Government all of the necessary technical competence to make decisions in this area. So that you have to bring people in from industry.

I grant that in the atomic energy program, where it was built up over a period of years, and there was an extended interest in atomic energy, that we do have people with a degree of unusual competence to make decisions. But it seems to me, as we make one breakthrough after another in the newer areas that there is, at least, a period of time where you must bring people in to assist the Government to make decisions at a high policy level. And you may need them for 1, 2, 3, or 4 years to get it underway. I am not talking about ignoring the need for the degree of competence that one would like to have inside Government for these problems, and these programs.

It does occur to me, however, that some of these things do happen rather rapidly and it is necessary to bring in people from the outside to assist actually in the decision process.

Mr. GREENEWALT. Well, perhaps, we are talking to some extent at cross purposes. I would certainly agree that where expertness—

Senator JACKSON. And judgment, the thing that you emphasized.

Mr. GREENEWALT (continuing). Is concerned, that might be true, but I am afraid, really, that you are giving a little too much emphasis to technical specialization in reaching that judgment.

You were kind enough to say that I was technically trained, which is certainly true. I spent the first 25 years of my career in and about laboratories but, on the other hand, when it comes down to my personal technical knowledge today of many things that come up to the executive committee of the du Pont Co. for decision, I just do not have it. But what I do have—

Senator JACKSON. If I may interrupt, I will venture to guess that your professional training is still helpful—

Mr. GREENWALT. Yes.

Senator JACKSON (continuing). In identifying problem areas. You may not have the answers, but you know that maybe a certain thing is not quite right, and you call in the people from that department who have the answers; is that not true?

Mr. GREENWALT. Yes; but the point is that I would not want you to put too much stress on specific competence in a given field. In any industry, you simply cannot have personal technical competence in all of the areas on which you are required to make judgments. You rely on good staff work. And what you really rely upon is the competence of the person who is making the technical argument. Then you simply have to scratch your head and exercise some judgment and come to a conclusion.

I do not want to leave you with the impression that I think that technical competence is not necessary, nor that you would not really have to get them to come down here and help you wherever it is possible.

When it comes to the final administrative process, the judgment-making itself, here you are relying not on technical skills, but you are relying on something that is in your head, some feel for the problem that enables you to decide, "Yes; this is sound, and we will go ahead with it."

Senator JACKSON. But there are people in industry, too—and I do not mean to belabor this—who have the technical competence who can, also, render great service to the Government beyond the technical field, who have that unique ability of comprehending how these technical things fit into the broad policy problems of government. I have known people who have demonstrated great imagination in that respect, who have been very helpful over the years to the Government. I merely wanted to point that out.

I agree that for the most part the main service would be to render at the higher levels of government the technical information and judgment as to a given project, and let the policymakers integrate that into the overall problem.

Senator MUSKIE. I think that the Chairman and Mr. Greenewalt are in agreement.

Mr. GREENWALT. We really are. These are semantic problems. People are using different words to say the same thing. I am sure that we are in agreement.

I do want to repeat this, however, that the business which you fellows run down here is enormous, and you simply cannot run it successfully without having people of prime administrative ability on a full-time career basis.

Senator JACKSON. Senator Javits?

Senator JAVITS. Mr. Greenewalt, I think that your testimony can be very useful to us. I am very sorry, with four committee meetings this morning, I have been unable to be here throughout the session.

I know that you have an enormous company with eminent knowledge of the problems of getting suitable executives, and a company of outstanding reputation. I would like to get the benefit of your views on a number of particular subjects in which I am interested in this field.

First, if you have not been asked the question, or if you have, I hope that you will give an answer which will not duplicate what has been said.

I gather you do favor an internship program by which young people could be taken right at the college level and given a modest period of training in Government service, and then released to industry?

Mr. GREENEWALT. I have not been asked that specific question, and I will have to answer off the cuff. I am not sure about that. For example, suppose that you take a fellow with a bachelor's degree, 22 years old, and he goes right into some Government job and stays there for 2 years. Then he gets a job, say, with us. And 15 years later, you want him to come down here to do a job.

I doubt that he will remember anything about the 2 years internship with respect to the situation as it exists.

Senator JAVITS. He might get a taste for the Government when we get him.

Mr. GREENEWALT. I was asked whether I thought it was a good idea for the Government to have a recruitment program at the college level to get them into the career service. On that level, I think it would be fine.

Senator JAVITS. Will you summarize for me as briefly as possible, the main reasons why the kind of executive personnel we want is loath to come down here?

Mr. GREENEWALT. We spent several hours on that question.

Senator JAVITS. Just give me a brief summary of it.

Senator MUSKIE. I shall listen with interest.

Mr. GREENEWALT. Well, I think that you have to assume that the regulations, as they are today, where some things are impractical and illegal, and where there is a very open question as to the company's preserving the man's pension rights, I think under those circumstances, the position of the man is that he has to take a severe financial sacrifice in most cases, and this is going to be one stumbling block.

As I said this morning, his employer would be perfectly willing to pay for those fringe benefits, but under present-day conditions that cannot be done.

The other thing that is more important, in my view, is in regard to this question of atmosphere that we discussed at great length this morning.

These conflict of interest regulations that Senator Muskie and I have been discussing really seem to say that the man has no integrity at all. And if he comes down here he has to be surrounded by all sorts of blocks that will prevent him from taking advantage of his Government position.

The average person, I would suspect, would say, "Well, if they think I am likely to be dishonest, they do not want me down there. I will not come."

I am exaggerating a little bit to make the point just a little stronger. But there is that question of the atmosphere.

You go to work where you think you are wanted, and where your honesty and integrity and ability are respected.

So, when you take the combination of the financial loss and the atmosphere that you are suspected the minute you set foot in town, these are stumbling blocks.

A young man with a career ahead of him is reluctant to interrupt it against that kind of an atmosphere, particularly, when you add to it the financial sacrifice, in a great many cases, that these men have to take.

Senator JAVITS. Those are the two principal reasons?

Mr. GREENEWALT. Obviously so.

Senator MUSKIE. And there is the question of loss of opportunity—there is that question, too.

Mr. GREENEWALT. That is a point for those within the 35 to 45 age group. The point becomes more important the longer the period of time that you wish him to serve. If it is a year, it is a potential loss of opportunity that is not likely to worry him. For 2 years it is a little more, but not too much. But when he is going to be out of his career for 4 years, many opportunities could arise in that period of time that he will miss.

Senator JAVITS. Do you not think that there should be mentioned in the affirmative the opportunity for serving one's country in an hour of great peril?

Mr. GREENEWALT. Well, of course, I think that is the only reason you get any consideration at all.

Senator JAVITS. How can we make No. 4 outweigh points 1, 2, and 3?

Mr. GREENEWALT. Why do you have to have 1, 2, and 3?

Senator JAVITS. We will get to that in a minute. Suppose we have some problems in 1, 2, and 3—what can we do to make No. 4 so compelling as to attract the kind of personnel we need?

Mr. GREENEWALT. I do not know what you can do anything affirmatively in that regard. As a matter of fact, I think that you have a considerable array of very competent people who come down here and serve. I think you get them and will continue to get them.

Senator JAVITS. We talked yesterday with the Chairman of the Civil Service Commission about awards. We talked about possibly expanding the concept of the awards to include distinguished civilian service outside of the civil service ranks, perhaps even the Congress voting such an award in a more frequent way than it has. We do have the right. We voted a gold medal to Admiral Rickover and I guess that we voted it to other people. Do you think that would help us much?

Mr. GREENEWALT. I think I would have to say not much. This is not the sort of thing, really, that we do over here.

Somebody was talking here, I guess it was Mr. Folsom, about the British system. They have their so-called honors list, which is to the effect that if you are a good boy and do your job well, you may become a knight or a baron. This is done quite frequently as a reward for merit and they set great store by it. This, however, is not really a part of our mores. And neither are medals.

Of course, you are honored if you get one, but this is not really the thing that a man will strive for. Over there, yes—he will work very hard if he sees a chance of being made "Sir So and So."

Maybe there are a few people who would work very hard, if they thought they were going to get a medal, but I really doubt that the chance of getting a medal would be very much of a drawing card for the average American.

Senator JAVITS. So you think that we are doing about as much as we can?

Mr. GREENEWALT. On your point 4. I do not think that you are doing as much as you can on the first three.

Senator JAVITS. Do you think that we are doing as much as we can on No. 4, because we cannot give him immunity from antitrust prosecution?

Mr. GREENEWALT. Of course, that does not really involve the man.

Senator JAVITS. I know that it does not.

Mr. GREENEWALT. That might involve the employer, but I think that it would have very little effect upon the man. You do not prosecute the individual.

Senator JAVITS. Of course not.

Going back to No. 1, 2, and 3, on the financial side and on the question of the loss of opportunity, the so-called closing-of-the-ranks theory, of course, these are matters which are very heavily in control of the business itself. In other words, the assurance to the individual, the second ranking executive, that ranks will not close on him, which is something that business controls.

Assuming that we straightened out the conflict-of-interest laws, and the same is true of keeping his financial situation fairly good, is there anything that we can do, aside from not making it illegal, which I shall come to last, because that is the third point—is there anything that we can do on those two points, that is the closing-of-the-ranks theory and looking after him financially?

Mr. GREENEWALT. As to the first point, I said this morning that I could only speak from my own company experience, but we have been perfectly willing to maintain a man's pension and fringe benefits, and also to send him down here on a WOC basis.

So if you will clear that track, I think that you will find a lot of cooperation from business. This is on the question of keeping him whole financially.

On the question of closing the ranks, no going business can make any guarantee there. All you can say—and this I have said personally—is that, “we will try.” And that is about all you can do, because you simply cannot hold an important executive post open.

Senator JAVITS. Does the du Pont Co. consider it to be a recommendation for a higher job to have served the country well, in a Government job?

Mr. GREENEWALT. Not per se, no. I would put it this way, that in the few cases where fellows that I know from du Pont have come down here for a year or two and have served, it has done them good. In other words, it gives them breadth, greater experience, which is good for them and good for us, but if you take two men and one has served his Government for a period of time, and one has not, and you have a particular job to fill, you take the best man for that particular job.

Senator JAVITS. You do not give any special weight to the Government service?

Mr. GREENEWALT. I do not really see how we could.

Senator JAVITS. Unless it has something to do with the background.

Mr. GREENEWALT. To that extent, yes.

you with us today. You have been very helpful. We, no doubt, will be in touch with you later.

We would like to add that should you desire to submit any additional information, we will keep the record open and the transcript will be available to you. That applies, likewise, to Secretary Folsom.

Tomorrow we will resume at 10 o'clock when Mr. John J. Corson will be the first witness, and the second witness will be Mr. Roswell B. Perkins. That will conclude the hearings for this week on the subject we have before us.

Thank you again.

(Whereupon, at 1 o'clock the committee recessed to reconvene at 10 o'clock on Friday, May 13, 1960.)

MOBILIZING TALENT FOR GOVERNMENT SERVICE

FRIDAY, MAY 13, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:10 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will come to order.

Today is the final day of the subcommittee's public hearings on the problems involved in attracting and retaining the country's "best brains" to man key posts both here and abroad in the years of cold war which lie ahead.

Yesterday we were privileged to receive stimulating testimony from a former Cabinet member, Mr. Marion Folsom of Eastman Kodak, and Mr. Crawford Greenewalt, president of du Pont. Both they and our initial witnesses have underscored some of the serious problems we face in attempting to attract the finest talent for Government service. They have also suggested a number of cures which the subcommittee hopes to develop and act on wherever possible.

Before introducing our first witness, I should note that our subcommittee has agreed with the President that testimony by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session. We have notified our witnesses accordingly.

In view of the fact that today's first witness served on the Gaither Committee, I should also like to remind the members that President Eisenhower, in a letter to Senator Johnson of January 22, 1958, invoked the claim of Executive privilege in withholding the Gaither Report from the Congress.

This fact, of course, does not prevent our witness from giving testimony concerning his personal views about national security problems and issues.

We welcome as our first witness this morning Mr. John J. Corson, a director and head of the Washington office of McKinsey & Co. In his present capacity, he has had the opportunity to explore the problems of Government in numerous departments and agencies. He is constantly called on to advise on critical organizational and per-

sonnel questions. Mr. Corson himself has held important Government posts for over 10 years. More recently, as I have indicated, he served on the Gaither Committee, appointed by the President to survey national security problems. He brings to our witness table a wealth of direct experience with the difficult problems we are exploring here.

Mr. Corson, it is a real privilege to have you with us this morning. You may now proceed in your own way.

**STATEMENT OF JOHN J. CORSON, MANAGEMENT CONSULTANT,
McKINSEY & CO.**

Mr. CORSON. Thank you, Senator.

I am delighted to have the opportunity to help as best I can.

For approximately 10 years, as you pointed out, I was a Federal civil servant. Throughout the last 10 years I have been engaged in the practice of management consulting as manager of the Washington office of McKinsey & Co., Inc. It is out of that experience that I venture to respond to questions that your staff has asked I discuss with this subcommittee.

During that decade I have been retained to study the operations of more than a score of Federal agencies. During this period, too, I have served with citizens' advisory committees on five occasions.

I appreciate the opportunity to contribute to your consideration of what, to my mind, is an especially important problem, the problem of attracting competent leadership for the formulation and execution of national security policies.

The persistent cold war has attached large new importance to the old problem of how to get better men to serve in key positions in the Government. Prior to World War II the failure to find able people meant less-efficient services by a relatively small Government. Today, failure to get and keep the ablest people in the key jobs of our Federal Government risks the devastating prospect that this country—the American people—will come off second best in the cold war.

The totalitarian societies we face—Soviet Russia and Red China—have in the key posts of their governments the ablest individuals their society produces. In our kind of society imagination, enterprise, and unflagging drive are rewarded most generously in business and in the professions; in a democratic free enterprise society, a large proportion of the ablest people are necessarily attracted to serve in commercial activities. Our longrun success in the cold war makes essential our finding improved ways of bringing and keeping a greater proportion of the ablest of our citizens into positions of leadership in the Federal Government. Experience over the past 7 years in recruiting for and retaining high talent in the governmental posts where national security policies are formulated and executed demonstrates, with dangerous clarity, the difficulties our Government encounters.

I see three major areas of difficulty:

1. These critically important governmental posts have been filled by a succession of able individuals who serve, on the average, 2 years or less. In short, the men responsible for aiding the President to formulate and carry out this Government's national security policies are a very transitory group—not all of them, but a substantial proportion.

2. All too often the individuals who agree to serve in this area bring to their jobs substantial competence, but little acquaintanceship with the intricate problems they must resolve.

3. The career civil servant—upon whom these political executives must rely to supply the familiarity with these problems that they lack themselves—is often seriously handicapped. He has grown up in the department he represents; he is expected to support “the position” of that department. Neither his status in the department nor the breadth of experience equips him to challenge the “departmental line,” to formulate new, imaginative, and venturesome proposals which his political superior might accept or reject.

This is partly a problem of large organizations, those in industry as well as in the Government.

Let me turn now to the first problem, the turnover in key national security posts.

To demonstrate the rapidity of the succession through these key executive posts, let me specify the positions to which I refer. The “first team” for national security in our Government includes, in addition to the President and Vice President, the incumbents of eight, as I see it, positions. They are the Secretary of State, Secretary of Defense, Chairman of the Joint Chiefs, Secretary of the Treasury, Director of the Budget, Chairman of the Atomic Energy Commission, the Special Assistant to the President for National Security Affairs, and Director of the Office of Civil and Defense Mobilization.

Upon the decisions of the incumbents of these positions, the security of this country and, in considerable part, the free world, rests. And in these 8 posts, a total of 23 men have served during the Eisenhower administration. On the average, each individual has served less than 2½ years, from the date of swearing in until resignation.

Fortunately, there are a number that have served for a considerably longer period.

During this period three men have served as Secretary of Defense and two as Secretary of State, another two as Secretary of the Treasury, and still another two as Chairman of the AEC. Four men have filled the position of Director of OCDM. In the position of Director of the Budget, four men have served, as have four others in the vital position of Special Assistant to the President for National Security Affairs.

There is, it can be said, a “second team” for national security. This group includes a total of seven vitally important additional positions. The “second team,” if you will, includes these positions: Deputy Secretary of Defense, Under Secretary of State, Under Secretary of the Treasury, Assistant Secretary of Defense for International Security Affairs, Assistant Secretary of State for Policy Planning, Director of the International Cooperation Administration, and Director of the U.S. Information Administration.

I am sure somebody could point to one or two other positions that equally deserve recognition, but for the purpose of looking at this problem of succession this serves our purpose.

In these 7 positions, 27 men have served during the Eisenhower administration. The average length of service has been less than 2 years, although again I should point out that there are individuals who have served for considerably longer periods of time.

Some of the individuals who have served on both the first and second teams have come to their jobs with prior experience in national security affairs. The present Secretary of Defense, as did the present Deputy Secretary, worked his way up, if you will, through the Department of Defense. But it can be questioned if either of the previous Secretaries of Defense, and at least half of the 50 men that have occupied these posts, had had experience either in the intricate, inter-related problems of international affairs, military management, intelligence operations, foreign aid, and the development of unprecedented weapons systems, or in the practical problems of getting things done within the Federal Government. Experience as a banker in Boston or even as an Assistant Secretary of the Navy simply does not provide the understanding of national security problems that is required if the individual who is to serve only a short time will be off to a running start.

In his testimony before your subcommittee some weeks ago, Mr. Robert A. Lovett, the distinguished former Secretary of Defense, said :

It takes a long time for an able man, without previous military service of some importance and experience in government, to catch up with his job in this increasing complex Department. At a guess, I would say he could pay good dividends to the Government in about 2 years. Meanwhile, of course, he is becoming a more valuable asset each day. To lose him before, or just as he becomes productive is manifestly a serious waste of the effort that went into his training.

What Mr. Lovett said as to the Department of Defense applies with even greater force to the posts that I have suggested make up the key positions in the field of national security. If we accept Mr. Lovett's conservative estimate of 2 years as the minimum break-in period, simple mathematics tells us that the Government has a practical personnel problem in the national security field.

Let me turn to my second point. This is the basic scarcity in this country of individuals with the large executive talents required, with the qualities essential for political leadership, and with an understanding of national security affairs. I emphasize the combination of talents that it seems to me are requisite in these positions.

Some men can be found who have acquired in business, experience especially relevant to the jobs they go into; e.g., as assistant secretary for supply in a military service or as head of an industry division in the Department of Commerce. But few Presidential appointees bring to these jobs, in addition to substantial personal talents—and surely I am not questioning their large personal abilities—real experience in the complex problems this country faces in the field of national security and a knowledge of what it takes to operate effectively in Government in Washington.

To emphasize this point let me remind you of a statement in the Task Force Report on Personnel and Civil Service of the Second Hoover Commission. The report states (p. 40) :

1. The combination of abilities required is relatively rare. At the topmost level these men require both well-developed executive ability and well-developed qualities of political leadership. That is, a man must be able to direct, control, and even inspire a large organization which has formidable functions, and he must also be able publicly to discuss the Government's business with Congress, interested parties, and the public in a way that makes simple very complex matters, meets hostility (foreign as well as domestic), and wins confidence. He must make decisions on matters of great importance for the future as well as the present welfare of the country. His foresight must equal the hindsight of

a host of critics, both amateur and professional, who are free to be as narrow in their point of view and time perspective as they care to be. The rules of the game of national politics allow no margin for error, and the American political world has not yet perceived the point that "magnanimity in politics is not seldom the truest wisdom." To lead the life of a political executive of high rank amidst the asperities of American politics is a test of toughness, of intelligence, and of devotion to the public interest.

My observations from the sidelines, over a score of years, convince me that a majority of business executives are both uncomfortable and unsuccessful in top level policymaking posts. There are many exceptions to this generalization; you know of businessmen such as Marion Folsom who have been outstandingly successful. There are few highly successful businessmen like him who will spend a stint as staff director for a congressional committee before they get into executive office. But generally, businessmen are unaccustomed to, and sometimes resentful of, the interest of the legislative branch in administrative affairs. They are unfamiliar with the necessity for clearance and coordination with numerous other departments. In the smaller enterprise with which most businessmen are customarily familiar—not all, but most—the responsibility for as extensive coordination and clearance does not arise. They are irritated by public scrutiny of their actions and by the rigid controls exercised over the recruitment of personnel, the budgeting of funds, and the procurement of supplies and equipment. In many instances, the recruitment of outstanding business executives for these posts is both unfair to the individual and of little advantage to the executive branch.

Let me, in support of this view, cite a statement made by former Governor Bradford of Massachusetts, who is himself a corporate attorney. He wrote of the added skill required in Government that most businessmen have not had reason to acquire.

Writing in the early days of the Eisenhower administration, ex-Governor Bradford noted that—

* * * business executives, taking over important Government posts, are finding, as the professors found before them in the early days of the New Deal, that success in politics is an art which draws on qualities not necessarily to be applauded or even desirable in the classroom or the industrial plant. The element of compromise plays a highly important part in political decisions, as does the balancing of interests and the necessity of persuading others to agree with your point of view rather than cramming your decisions down their throat. With the best of intentions and with the highest degree of efficiency, a government cannot be run like a business, nor should it be. (Harvard Business Review, November-December 1953, pp. 33-41.)

When placed in a post in the national security field, the individual's newness to Government is multiplied by the uniqueness and complex interrelatedness of the problems that arise in assuring the security of this country or of our allies.

Turning to the third point, the capabilities of career men.

It is often said that the top career civil servants provide the experience and continuity to compensate for the "here today, gone tomorrow" Presidential appointee. There is much truth in this statement. The top career servants in the Federal Government—as I see it—are able and too-little-appreciated men. But they can only substitute for the political executive in the most limited sense. The latter remains the key source of administrative leadership, the Presidential representative with the responsibility for governing. Sec-

ondly, we must recognize that the career civil servant has been bred from within, and his experience, over a period of years, is often confined to one department or agency. Such experience tends to imbue him with a departmental viewpoint and to entrap him within a narrow perspective.

Some 6 or 7 years ago I studied the careers of top civil servants in the Treasury, Interior, and Agriculture Departments. I studied the careers of all civil servants in these Departments in grades 15 and above. It revealed that in the Treasury approximately two-thirds of all the top career civil servants had started in clerical positions in grades 3 and 4 in the Treasury, and had spent their whole career in that Department.

Now, this is not a disadvantage in many respects. But the breadth of experience the individual acquires within a single department will not likely equip him to handle many problems that require a recognition of the related concerns of other departments. It assuredly raises questions as to whether he can acquire the breadth for judgment on wide and significant problems.

The large majority of these men and women are able, conscientious public servants, but existing means for broadening their skills and their perspectives are entirely too limited.

The Federal Government does much less than many other employers in trying to broaden the viewpoints of the individuals who come into executive positions. Such understanding as they have of complicated problems of public policy, of the interrelationships between the vast complex of Government activities, or the impact of their decisions on others—partly within and without Government—they have acquired on their own initiative. As an employer, the Federal Government does too little—I realize I am repeating—to broaden the career man's viewpoint and his experience.

Nowhere is this problem better illustrated than in the State and Defense Departments. The career man with a rounded understanding of foreign political affairs, of intelligence operations, of military management, and of economic development, and of the relationships between all four, is altogether too rare.

Let me turn, if I may, to what contribution I can make as to possible solutions to these problems which I have suggested. Let me suggest six points where in my opinion some action is needed.

Your subcommittee has already suggested a number of possible solutions to the problems I have discussed. Let me suggest six points where, in my opinion, some action is needed.

1. We must discard our informal, haphazard system of recruiting top political executives. The responsibility is now divided between the White House and department heads on a most informal basis. Under existing practice, if any attempt is made to search out the right man for the job on a systematic and orderly basis, this is an exception to the general rule of leaving it to chance, or the limited acquaintance-ship of the head or assistant to the head of the department. A central recruiting office of some sort, preferably tied to the Executive Office of the President, seems a necessity if we are to be more successful in getting into Government abler people for critically important jobs.

There is no factor that is more useful for bringing into critically important jobs the right people than a request from the President

himself. This is one reason for associating this function with the Executive.

2. We must find ways of acquainting outstandingly capable men in business, in the universities and elsewhere, with the problems of national security and thus building up a reservoir to which Government can turn. Service on advisory boards or commissions serves to provide a few of the needed introductions of these critical problems. Active participation in private groups like the Committee for Economic Development or the Council on Foreign Relations supplies some understanding to others. The Business Advisory Council of the Department of Commerce is still another agency that acquaints some of our outstanding business leaders with the problems the executive departments are concerned with. The executive reserve developed in the OCDM is another means of bringing another group of business people to an understanding of these problems. But more, it seems to me, is needed. I urge consideration of how we can acquaint more of our ablest citizens with these problems. I wish I could offer a more definitive recommendation, but I haven't found any panacea that I can suggest.

3. We must develop the kind of career service that will produce more broadly-trained career executives. The proposal for a Joint Career Service between State and Defense set forth in your interim report is a step in the right direction. In my view, the concept of interchanging career personnel between Departments to vary their experience and broaden their viewpoints must be carried still further than we have yet carried it in this Government.

4. We must accept frankly and fully the necessity of utilizing as executives in key jobs men drawn temporarily from industry who will continue to be compensated by their private employers. This is WOC, as we tend to call it in the Government. I make this suggestion first, because certain talents we can get no other way, since we cannot overcome the financial obstacles which cause many men to refuse public service, and while we cannot overcome them, I would urge continued consideration of how at least we can reduce them; and second, because it is more important that we have this talent in Government—if need be, on a restricted basis—than to reconcile ourselves to the second-rate.

5. We must make even more extensive use of private citizens in an advisory capacity—both as individuals and on committees. I am aware of the criticisms and weaknesses of the so-called citizens committees. But on the basis of experience with five such committees, serving as staff member at times, and as a member of one or two, I am convinced that if properly established, staffed, and supported, they perform three tremendously useful functions.

First, they do help to bring conflicting viewpoints throughout Government together on specific problems. Second and importantly, they can force the questioning of existing policies and practices—questioning which can and has led to overdue change. Third, in a unique way, the citizens committee, it seems to me, can unearth problems and proposals buried in the depths of the bureaucracy and bring them out into the light for the study and action they deserve.

If I may add a point there, it seems to me in any large organization, in a large private corporation, or a large university, or a large

Government agency, there is a wealth of ideas flowing around among the people in the third and fourth echelons down. There are bright, lively, and energetic people in any such organization. To get those ideas from the fourth echelon up through the bureaucracy is often a very difficult task. The advisory committee, as I have seen them function, oftentimes can reach into the fourth echelon that way and unearth useful ideas and consider them, and reject many of them, and perfect the better ideas, and bring them to the attention of the people at the very top of this governmental structure. This, it seems to me, is one of the services that such committees perform.

6. Finally, I believe that to bring to the service of Government the ablest talent in this country, the Federal Government should make even more extensive use than at present of the practice of "contracting out." The Federal Government now contracts with business enterprises, with engineering firms and with universities for a wide variety of services.

For example, the Rand Corp. The work of the much discussed Space Technology Laboratory.

These services range from the development of highly important plans, the development of missiles, the operation of laboratories by an industrial firm such as Union Carbide, and universities such as the University of Chicago—the conduct of training programs for Federal officials by the Brookings Institution, for example, and the construction of projects overseas as a part of our foreign aid program. It ranges from these to the provision of a much more traditional service in the supply of traditional products.

Vannevar Bush is said to have decided in World War II that the development of weapons should be done in Government, in industry, or in a university, wherever the human capabilities were found. This, it seems to me, looking back, was, in the development of the weapons required for World War II, a sensible and very important decision, and one that varied considerably from earlier governmental practice. This was a far-seeing decision and one that I think has a special significance in a free-enterprise democracy that is locked in an unending struggle with totalitarian states.

I hope you find in those remarks, Senator, some points of usefulness, and I thank you for letting me talk with you.

Senator JACKSON. First let me express the appreciation of the committee, Mr. Corson, for your having taken time out from a very busy and I know hectic schedule, to assist in trying to find some solutions to the problems we face.

If I may start with your last suggestion, "the importance of contracting out," I hasten to add I certainly agree with what you have said.

Do you not feel that it is likewise important to have, at the top policy levels of the Government, people with the same degree of competency to pass judgment on decisions that are made by the contractors so that they are fully integrated into an overall national policy?

Mr. CORSON. It assuredly is, Senator. If I may add a point, it is not only at the top level posts, but it is highly important that at the key scientific posts of Government we have people competent to evaluate (a) what they are asking the contractor to do, and (b) how well he is doing it.

But I would add this point: Rather than sacrifice the use of this talent, Government should still "contract out" even if we are unable to get, in every instance, the capable people in Government that we should have. I say that I would still contract out, for I would not deny to this Government the capabilities that we have in this country in areas where we desperately need them, because we are unable to meet the first problem.

Senator JACKSON. I assume it is fair to infer that at least some of the contracting out stems from the frustration in existing law to provide the proper talent at the Federal level. Is this not a fair statement?

Mr. CORSON. I think this is true; I think of instances that illustrate your point, Senator. A great deal, however, involves a constructive, useful effort to add to the arsenal of this Government the facilities that are available throughout our society.

Senator JACKSON. My only purpose in asking the question on this particular point is to point out the concurrent need and requirement to have people at the policymaking level and the decisionmaking level with equal competency to pass judgment on the recommendations that come from highly skilled institutions, either on a university level, or such organizations as the Rand Corp., or business corporations who have rendered a great service.

What is your reaction regarding the so-called dual compensation statute?

Mr. CORSON. I am not familiar enough with the details of the dual compensation statute to be helpful. I realize the problems, but I am not sufficiently familiar with the details of that statute to be helpful.

Senator JACKSON. Can I give you an illustration? As we all know, we have reached a hump in retirement—this large group who served 20 years from World War II, in the military service, are being retired. In many instances the Government has spent thousands of dollars, and in some cases on individuals hundreds of thousands of dollars in furthering their careers. Under existing law, as I understand it, an individual is prohibited from receiving a combined Federal compensation over \$10,000. The result is that many of the retired officers who have skills and talents that they can offer to the Federal Government seek employment outside Government.

They do find a way out, however. They can go to work for a non-profit institution, or they can go to work for a corporation where they would be doing the same work that they might be doing in the Government, but, of course, the law does not extend to those entities even though indirectly all of the funds are Federal.

I am wondering if we are not defeating our own purpose when we have the need and the requirement, but because of this old statute we are not able to employ them.

Mr. CORSON. I have two reactions, if I may offer them.

I spent most of my career in the Federal Government in the Bureau of Old-Age and Survivors Insurance. There I spent my time studying problems of retirement. I think that there is a considerable waste in a retirement practice that to a degree forces an individual out of the service after 20 years of valued experience, and at an age where he might be expected to be continually productive for a period of years. I think there is an inherent waste in such a retirement practice, whether it be in industry or in government.

I realize the unique problems in the military services, where the individual is subject to unusual hazards over a period of time, and hence early retirement has been adopted. There is still a considerable waste in such retirement practice.

If, however, we have the practice, it seems to me secondarily there is a waste in denying to the Government itself the use of that individual in another branch of the Government.

I would hope we could find some means by which we could accept him and overlook the dual compensation problem, and I would not be adverse to overlooking it, but at least if that is not generally palatable, adjusting the compensation so that the individual still has some benefit over and above what he would earn in Government from his retirement. Perhaps he would be entitled to one-half of his retirement pay for the duration of the time he is serving the Government.

Senator JACKSON. It certainly seems inconsistent when one considers that the Federal Government takes the position of suddenly terminating the return on an investment that the Government has made over a period of years amounting to thousands of dollars. The individual, it is true, works for a private employer, but in many instances this is a fiction, because the Government supplies the money.

I have a feeling that Government agencies will be more and more prone to set up nonprofit instrumentalities to circumvent the Salary Limitation Act, which, while generally an effective thing, is subject to abuse, is it not?

Mr. CORSON. I think it is subject to abuse, Senator.

Senator JACKSON. It could be subject to abuse. I do not know of any situation now where this is true, but I am looking ahead.

Mr. CORSON. I agree, but I think most nonprofit corporations that have been set up to perform essentially complementary functions for Government were established as a means of attracting talent that the Government could not obtain through its normal mechanisms.

Senator JACKSON. Mr. Corson, then I gather what you are saying here is that in effect the challenge that we face, that is, that the Government faces today, is so broad and enormous, that the Federal Government itself must have the flexibility and the ability to reach out and obtain talent wherever the required talent may be located.

Mr. CORSON. Exactly, Senator. I suggest that in addition to the conventional means of recruiting talent, that is by hiring them as governmental employees, we must explore less conventional methods; one method is by contracting for them; another is the using of them as "without compensation employees." We must explore and develop to the fullest these less conventional methods.

Senator JACKSON. When I said reaching out, I should define my term by stating various means and devices including contracting out. In other words, what we have is this enormous Sino-Soviet challenge, which challenges the ingenuity and every facet of the life of this country, so that when these challenges occur we have to bring the talent we do have in this country to bear on the problem. Is this not so?

Mr. CORSON. It is, Senator, in my opinion.

Senator JACKSON. And there are various means by which you can obtain that talent. Our job, it seems to me, is to make the task for the Federal Government easier, and more effective, so that in the long run we can respond to these problems with rapidity and effectiveness.

Mr. CORSON. To better enable us, as Harold Boeschstein said to this committee the other day, "to put our first team in the field"; to put the ablest people this country has to work on the critical problems his country has.

Senator JACKSON. This is exactly right. It is exactly what the enemy is doing. And unless we have the flexibility and the means of doing it, we cannot possibly compete.

It seems to me that the resources are there and the advantage of having some flexibility lies in the fact that many of these people are not needed indefinitely, since the problems will change. But you can get some experts in a given field and have them for 2 or 3 or 4 years, or whatever the requirements happen to be, then when the problem is no longer a major one they can be released.

The other alternative is in effect to have the Government be the whole country, which is of course the most unworkable bureaucracy in the world. I think this is certainly the advantage of the operation of a free system versus a totalitarian state, such as exists in the land of our competitors.

If I may pursue this thought, in talking about various means of drawing on our large talent and resources, on your point 4, on the matter of bringing more people into Government on a WOC basis, what do you feel realistically we can do in that regard first to protect the Federal and public interests; and, second, to protect the interests of the employee who comes in; and, third, the employer who makes this individual available?

I am concerned about what has happened in the past, and the tendency to label these people dollar-a-year men and, therefore, ipso facto, they are not to be trusted.

What do you think we can do to help to clear that atmosphere, realizing that we will have to operate somewhat in this way for years and years to come?

Mr. CORSON. Let me make two points in answer to your question: The most important thing we can do is to exercise the most judicious care in the selection of the individuals. The whole thrust of what I have been saying to you this morning is that we need to search for people to serve in these top policymaking posts who combine several talents. One is the large executive talent which you can expect the individual successful in business or successful in the management of a large university to have. In addition, the men needed in government must be sensitive to the political aspects of democratic government.

The individual who is sensitive to the political responsibilities of a policymaking post will lean over backward, and treat with the greatest care, those matters in which his objectivity in decisionmaking might be questioned.

If we concentrate on selecting that kind of people for key policymaking posts, I would trust them. I will rely on Mr. Perkins, who is to speak to you later this morning, to suggest the solutions posed by conflict of interest statutes. I realize what a problem they constitute but I urge that we resolve the doubts, in a much greater degree than we have under the statutes in the past, in favor of the individual carefully selected. My experience indicates that 99 out of a hundred business people who come into government—and I can claim to have seen many over a period of quite a few years, lean over backward to

insure that they will not take advantage of their position in government in any way to benefit their personal interests. I am willing to put greater faith in the integrity of these individuals than the statutes imply. I fear this is a minority viewpoint on this issue, and I realize that the problem is more one of public relations as much as it is of establishing essential safeguards.

Senator JACKSON. I certainly concur in your statement. I have known many of these people who have come to Washington and unfortunately it only takes one bad illustration——

Mr. CORSON. Yes; one.

Senator JACKSON. To upset the applecart in the public mind.

I wondered if there was anything—of course, assuming you make changes in the law, which is obvious—I was wondering if there are any other suggestions that might occur to you that would help to improve this situation. From a training standpoint it has been suggested that there be a program at least where young business executives can come in for an orientation of 5 or 6 or 7 months. Mr. Folsom made that suggestion. So that they will at least be familiarized with the basic workings of the Government, and when they do come in again they will have that advantage.

While that does not pertain directly to my question, do you think this would be helpful in getting men into government who desire to make a real contribution?

Mr. CORSON. I think it would. At the moment the Brookings Institution is working on the development of just such a program. Such a program would help to acquaint some businessmen with the understanding, or part of it, they need to succeed in government. They could, through such a program, obtain a familiarity with government and with the political characteristics of government. It seems to me that is an important bit of preparation.

Senator JACKSON. It seems to me that American business, universities, and certain other nonprofit institutions have a great responsibility in the period ahead. On our side of it all we can do is to try to find what can be done from a Federal standpoint to make their assignment a more workable one.

Personally I feel that these groups I have just referred to should make up their own minds that it is a part of their responsibility as corporate citizens and as universities and nonprofit institutions. Otherwise there is not much we can do at this end other than to change certain technical provisions in the law.

Is there anything that can be done on the other end, the business end and so on, to encourage and make business understand the enormous responsibility that is on their shoulders because they, in the last analysis, have the reservoir of know-how that the Federal Government must be able to reach when called upon to do so?

Mr. CORSON. I think there are a number of things that can be done, and I think that government does more or less well a good portion of this. Let me cite an illustration here.

For example, take the space program at the moment. Here is an instance in which, if the space program is to succeed, we must draw upon a large number of private enterprises in this country that have the skills required. NASA is doing, it seems to me, a very constructive job in trying to acquaint American industry with what the program

is, what its segments are, and what its objectives are, and inviting businessmen to suggest where and how they can participate.

It seems to me this is the kind of thing, if done all across the board, in foreign aid as well as defense, such an effort would enlist a larger proportion of our society in the cold war.

Senator JACKSON. One of the chief problems in bringing in businessmen appears to be in the area of the middle executive group—men between 35 and 45 years of age. They have all sorts of family responsibilities; they have certain built-in prohibitions against coming to Washington.

What can be done, above and beyond a WOC arrangement, wherein the company carries them and, as Mr. Greenewalt testified yesterday, of course they would—his company, and it is true, I am sure, of many companies other than du Pont—they are willing to carry these people for 2 or 3 years.

He, Mr. Greenewalt, also indicated that this is a period of time when it is difficult for this junior executive group really to want to leave the company for fear that they will lose out in the promotional ladder.

Do you have any panaceas in that area?

Mr. CORSON. I recognize all of the difficulties you point to, but it does seem to me that there ought to be ways of developing a program that would bring into this Government a goodly number—not just a sprinkling of them, but a goodly number of people in the age level between 30 and 40.

Senator JACKSON. This is many times the most creative talent.

Mr. CORSON. This is many times the most vigorous talent. This is the age group that possesses the imagination and vigor that is required in a large enterprise to push ideas through. But it seems to me the one lacking ingredient which we have to somehow create is a recognition in American businesses that an understanding of the functioning of the Federal Government is valuable to the guy who wends his way up in the corporate structure. It is valuable in a society in which 20 percent of all the goods and services produced by private business are purchased by the Government. It is a valuable understanding of an important customer.

If you analyze how many corporations are doing business with the Government in one way or another, such experience in Government has practical, selfish value within the corporation. If we can get that idea better established in the corporate enterprises of this country, then they will see a reason and the young man working up can see a reason for having this particular understanding as well as what he has to have to get ahead in his company, then we can hope to get a goodly number that can be made available.

Senator JACKSON. Thank you.

Senator MUSKIE?

Senator MUSKIE. Thank you, Mr. Chairman.

I appreciate your testimony, Mr. Corson, and I have listened to it with a great deal of interest. It seems to me your formal statement concerned itself primarily with the top policymaking positions in Government. I wondered what the relationships would be between this concern and your first proposal for a central recruiting office of some sort. What numbers of employees or positions would this recruiting office be concerned with?

Mr. CORSON. I think, Senator, only of those that are Presidential appointees; those that the President himself must appoint. There is a goodly number of such positions in the neighborhood of 600 to 800.

Senator MUSKIE. I think the figure of 1,100 was used yesterday, which is the number we are speaking of.

Should we distinguish then, Mr. Corson, which is what my problem is, between the experts and specialists in the technological fields, which are needed in increasing numbers in the Government, and the policymaking positions?

Mr. CORSON. I think we do have to distinguish. The experts narrow themselves down more specifically by fields. In the Department of Defense, let us say, where you need a highly experienced group of especially well equipped scientists, I think you have to rely on the scientists in this Government to be able to search out and reach out for them.

We still need the more hospitable attitude within private business of the value of Government experience for these individuals. How can we make these individuals available?

Senator MUSKIE. Within this area to a certain extent, of course, you can develop career men, but because of the rapid changes in technology it is necessary to rely more and more on short-term people—people who are coming in to do a specific job for a specific period.

I was interested in your remarks at the outset of this statement, emphasizing the fact that there is such a turnover among these people who come into Government temporarily. You are speaking of turnover in the policymaking posts. Is it not true in a democracy that the policymaking posts are political posts?

Mr. CORSON. They are political posts and should be political posts in a democracy.

Senator MUSKIE. And political in the partisan sense as well as in a nonpartisan sense.

Mr. CORSON. Yes.

Senator MUSKIE. It is not true also in a democracy that we get our policymaking people, that is, our political people, not from any pool of persons peculiarly adapted to this, but rather from all walks of life and in all professions? The people who are Senators today are people who were lawyers, or people who were businessmen, or people who were farmers, or people who came from the ranks of labor. These people have made politics a career not in most instances as a result of a decision made when they reached the age of maturity, but, rather, as a career subsequent to some initial career which they have undertaken.

Is it not going to be necessary then for you to persuade people in all walks of life to undertake political careers?

Mr. CORSON. I think this is an important part of the problem. The part of the problem I was concentrating on, however, has to do with those outside the partisan political structure. Government needs more men who possess the understanding of the functioning of political life that the partisan politician does and have executive abilities, and the acquaintanceship with the interrelated intricate problems of national security that so few possess today. The finding of such men is a difficult task.

Senator MUSKIE. I enjoy your suggestion, but I want to press this point a little bit more, if I may.

We have been listening all week to testimony the objective of which is to make Government service more attractive to people whose talents are important to the public service. A great deal of emphasis has been placed upon making the Government service more comfortable, more secure, less of a wrench from their real careers.

I was interested in your quotation from the Hoover task force report, the last sentence of which said, and I quote:

To lead the life of a political executive of high rank amidst the asperities of American politics is a test of toughness, of intelligence, and of devotion to the public interest.

The fellow who might have been a lawyer to start with, or a businessman, who gets into politics at the lower ranks soon learns the lesson that is implicit in this statement. He learns that he must be tough, and he must develop a thick skin, and yet a sensitivity to the public interest. I am all for bringing people in, and I think we have to do it increasingly, to meet particular problems calling for special skills and training in judgment-making. However, I am a little concerned—without saying we should not pursue it—I am a little concerned with this emphasis upon making service in the Government comfortable to people—maybe comfortable is not a fair word, I grant you, but I am trying to make a point—making Government service comfortable for people who do not really have an urge to get into politics.

Mr. CORSON. Senator, you started out on the problem of succession, if I may bring you back to that. It is more comfortable, if you will, for the fellow who comes to Washington and spends 2 years in a tough top policymaking post in this Government to get out and go home. It is much more comfortable.

I am urging that we find ways of keeping him here after he has acquired the experience, for a longer period of time. That is not the comfortable thing.

I think it is essential these people we train, if you will, in Government, that they be available to the Government for a longer period of time.

Senator MUSKIE. I agree with you wholeheartedly in this objective, but some of the devices we are discussing this week which are designed to persuade him to stay longer, are devices designed to make it more comfortable. I am all for doing the legitimate things that ought to be done to recognize the problems that are inherent in this. Of course we should.

Mr. CORSON. But if by the devices that would make life more comfortable for him, we mean such things as shielding him from public criticism and shielding him from appraisal by a congressional committee, and shielding him from the review of an executive agency such as the Bureau of the Budget, I would say, no. We should not give him any of those comforts.

Senator MUSKIE. Would you agree with me a man is really not an effective policymaker in the Government until he has been exposed at least once to some raw criticism?

Mr. CORSON. The really successful executive, whether it is a political man or businessman, is the fellow who can sell his program before

the congressional committee and before the executive agency and before the public, as well as administering it within. This is the twofold duty of the fellow who succeeds in Washington.

Senator MUSKIE. And he has to be willing to undertake to sell a proposition which initially might have had the support of only himself against a storm of criticism.

Mr. CORSON. That is right. He has to be that good a salesman.

Senator MUSKIE. And have that thick a skin.

Mr. CORSON. And that great a skill. Yes.

Senator MUSKIE. I am not going to press this because I am interested in hearing the testimony of Mr. Perkins, which bears so strongly on the points we have been discussing. Your suggestions have been thought provoking and I deeply appreciate it.

Mr. CORSON. Thank you very much.

Senator JACKSON. Mr. Pendleton, the minority counsel.

Mr. PENDLETON. Reverting to your prepared statement, Mr. Corson, you say:

Experience over the past 7 years in recruiting for and retaining high talent in the governmental posts where national security politics are formulated and executed demonstrates, with dangerous clarity, the difficulties our Government encounters.

I am interested to know, in respect to this statement, Mr. Corson, how you happened to pick that base period?

Mr. CORSON. I was looking at the period of the Eisenhower administration for no other reason than that it was a convenient and practicable period to study the turnover of key executives in.

Mr. PENDLETON. Up to the present time in this committee we have accepted a period beginning with 1947, which was the time of the National Security Act, in order that we might have a broad enough base covering the two administrations. You can see the connotation this places on the balance of your prepared statement, that every conclusion is based solely on that 7-year period.

Mr. CORSON. Had I know you had selected the period 1947 as a base I would have gladly used it. I think it would have demonstrated the same point that the period from 1953, January 1, 1953, on, has demonstrated. You have had substantially the same succession in that longer period to the best of my recollection as you have in this more recent period.

Senator JACKSON. May I just interrupt here to clarify the record?

In connection with this particular subject, the committee had not resolved on any period. The term 1947, Mr. Corson, merely refers to the date when the National Security Act was passed. The problem of people, of course, goes way back through Government.

I just wanted to say we had not selected 1947, or 1940, or 1930, or 1920. It is any period in Government. The reference to 1947 bears only on the passage of the National Security Act.

Mr. CORSON. I want to emphasize the connotation—

Senator JACKSON. So witnesses are free to pick any period. It is for the committee to go into other areas, if they so desire.

Mr. CORSON. I would like to emphasize that the connotation that is pointed out here is to my mind not an applicable one—not a fair one. I think that the points I have made here with respect to the top political posts as well as to the career servants will, I hope, be applied with equal strength to the period prior to January 1, 1953.

Mr. PENDLETON. Fine. I think that broadens this discussion here to the point where we can look at the other questions in a better light.

Going back to your statement, you referred to turnover in key national security posts. In your opinion do you feel that turnover at a rate of one Cabinet officer every 4 years is too fast?

Mr. CORSON. I do not think you can answer this in such generalized terms. It seems to me it would depend entirely on (a) the department; and (b) the problems with which that department was faced at the time; and (c) the individuals involved.

I would think it is preferable by and large that where an individual has come in and has learned the problems involved, that he be available for a longer than 4-year period. It seems to me a shame that a man like Marion Folsom, having acquainted himself with the problems of the Department of Health, Education, and Welfare, and being a uniquely able fellow anyway, is lost to us after he has just really gotten on top. It seems to me that this is a shame.

If you will turn, let us say, to the ICA, for example, it seems to me unfortunate that in a period of let us say the last 7 years—because this is the period for which I have looked up the data—that we would have as many people go through that job as we did there, in as relatively brief a time.

The problem of thinking out the best use of our foreign aid funds is a problem that takes time. It is a new form of government, and it is a complicated form of government, and for an individual to come in and spend relatively few—I do not want to exaggerate—I was about to say a relatively few months, but let us say a couple of years—and then leave, it seems to me is to leave just when he is getting to the point where he could be getting valuable, or more valuable to this Government.

Mr. PENDLETON. On the other hand, do you not think this, Mr. Corson: As for business, that regular turnover at the Cabinet level, offers an opportunity to train those people at sub-Cabinet level and bring them on to the Cabinet spots with the kind of training you desire?

Mr. CORSON. I think it offers that possibility. I think it is a possibility not generally used. Obviously, it is the exception. Tom Gates is an illustration of a man who has, in the terms you have suggested, learned in the jobs of Under Secretary of the Navy and Secretary of the Navy and Deputy Secretary of Defense. It is fine where we can hold on to a man that long. Our Government is seldom able to turn to men with as rich experience.

Mr. PENDLETON. Is there another method you can suggest whereby people would get the suggested Cabinet experience?

Mr. CORSON. I have suggested—and this is not a direct answer to your question—but I have suggested in the latter part of this prepared statement—or let me put it this way: It seems to me the businessman who come into Government, and the university presidents and university professors who are most effective, are those who have been identified in one way or another (a) with political processes and (b) with those agencies like the CED, which I mentioned, and the Council on Foreign Relations, which acquaint them and rub their noses, if you will, in problems of public policy. The individuals who come in with large executive experience and this complementary

experience are the ones, it seems to me, who are most able to adapt themselves quickly.

Marion Folsom is an excellent illustration of it—a man concerned with public policies I know going back to the year 1928. He comes in with a large reservoir of understanding.

Mr. PENDLETON. Well, turning to that point you made in your statement that service as "Assistant Secretary of the Navy simply does not provide the understanding of national security problems that is required if the individual, who is to serve only a short time, will be off to a 'running start'." Could you describe a better position for a man to serve in?

Mr. CORSON. Let me cite the specific instance I had in mind. I don't think it is any reflection on the individual whom I respect. Jim Smith served as Assistant Secretary of the Navy for Personnel. Then he became Director of the ICA. The experience in the Navy helped Mr. Smith to understand the machinery of Government, but it had relatively little relevance to the post he was then assigned to in ICA. It provided little more understanding of the problems he encountered in ICA than did his prior service in Pan American Airways.

Mr. PENDLETON. Right. In other words, what you are saying is that service as Assistant Secretary in certain of the security departments in the management field does not necessarily qualify a man in national security planning?

Mr. CORSON. This is a helpful clarification of my point of view.

Mr. PENDLETON. Now, reverting to your testimony on the question of the amount of time in the Cabinet posts. The three Secretaries of Defense that we have had have been Secretary Wilson, Secretary McElroy, and Secretary Gates. Secretary Gates presently is serving. Do you know the number of months that he served in that job?

Mr. CORSON. No, I do not.

Mr. PENDLETON. Six months or something of that kind. I presume when you computed the average service for the three Secretaries of Defense that you measured his number of months along with his two predecessors.

Mr. CORSON. This is right.

Mr. PENDLETON. Do you feel that he is qualified for that job?

Mr. CORSON. I think he is ably qualified for that job.

Mr. PENDLETON. Right.

Mr. CORSON. He happens to have been a prep schoolmate, so I couldn't give you any other view.

Mr. PENDLETON. Right. For the record, I didn't know that when I asked the question.

Don't you feel that it would have presented a better description of the qualifications of these Cabinet people if your average had been computed on the basis of their Government service either in total or in jobs related to their Cabinet positions?

Mr. CORSON. Inevitably I thought about that. The statistics, however, aren't the significant point; they offer only a crude measure of the succession that is significant. Out of the considerable number that pass through these posts a substantial proportion come to these posts with real ability but with limited experience in the kind of problems they are confronted with, and leave when they have become

acquainted with these problems. The problem isn't discounted any way you amend the statistics.

Mr. PENDLETON. Right. Counsel agrees it is a real problem, and we are very anxious to find ways of bringing people in to serve in these spots. But I am concerned lest an improper light cast upon what has been done may in any way serve to discount the efforts we are making toward the future. And I think, turning to the next position, that a glance at the statistics or facts of the case helps to make the service that has been rendered look better rather than worse.

You indicate next that we have had two people serve as Secretary of State. In your opinion, was either of these gentlemen unqualified for the job?

Mr. CORSON. I wouldn't venture such an opinion. I would venture the contrary, that both of them were richly qualified by previous experience. They represent the exceptions, really, to the rule I am stating here.

Mr. PENDLETON. Right, and the rather shorter service of the incumbent should be measured along with the fact that he served previously as Under Secretary of State and in a series of jobs before that which certainly helped qualify him for performance as Secretary of State.

Mr. CORSON. I heartily agree with you.

Mr. PENDLETON. Now, there are two specific positions here I am rather curious about. You say four men have filled the position of Director of OCDM. Would you tell me those four men, please?

Mr. CORSON. As I recall, without looking at the record, they were Val Peterson, Arthur Flemming, Gordon Gray, and Leo Hoegh.

Mr. PENDLETON. Well, now, my recollection is that Val Peterson served as head of the Federal Civil Defense Administration which, of course, later was merged with ODM to make it OCDM. But the direct line of that position now called Director, OCDM went back through ODM. The incumbent of that position is the one who has been serving on the National Security Council. Therefore, the fact that there were two agencies merged to make OCDM, after Val Peterson served as FCDA Director, in my mind does not permit saying that four men have served in the position of Director of OCDM.

Mr. CORSON. Can you supply, if you would, the name of the Director of ODM at the start of the Eisenhower administration?

Mr. PENDLETON. Yes. Arthur Flemming in 1953 to 1957; Gordon Gray from 1957 to 1958. At that point ODM and FCDA were merged and became OCDM. Leo Hoegh served from 1958 to the present time.

Mr. CORSON. I stand corrected.

Mr. PENDLETON. Now, the next one, you say four others served "in the vital position of special assistant to the President for national security affairs." Do you know who those four are?

Mr. CORSON. Yes. Mr. Robert Cutler, Dillon Anderson, Bill Jackson, and the present incumbent, Gordon Gray.

Mr. PENDLETON. Now, it is my understanding that Bill Jackson never was appointed as special assistant for national security affairs.

Mr. CORSON. He served a limited period, a time between the other incumbents on a perhaps ex officio basis, but nevertheless he served in that capacity.

Mr. PENDLETON. Well, my understanding was that it—all right. We won't get into that.

Senator JACKSON. Why don't we just for the record—as I understand it—and let me say if counsel is worried about some partisan reflection, I don't think we ought to be sensitive about this. I will agree, and I am sure all the members of the committee will agree, this turnover is a real problem and I don't think there is any point in saying it is a partisan issue. We are trying to bring in witnesses who are outstanding members of the counsel's party, and they are outstanding businessmen, outstanding Americans. I want to say for myself that this is a problem common to all administrations.

It is like anyone whoever worked for the Government prior to 1953 is, ipso facto, a bad person. That is a common comment. Or that they just are not qualified to serve the Government. I think we ought to just try to be objective here and let us try to do a good job.

And if we get off into little partisan sensitivities, I think we defeat our purpose.

Excuse me.

Mr. CORSON. I recall an experience that illustrates that this is not a problem peculiar to any administration.

I remember meeting in the hall of the Pentagon in late 1952 an Assistant Secretary of the Navy I had come to know. "Well," I said, "I expect you will be going back home now." He replied, "Yes, and it is a doggone shame. I have just begun to learn what this job is like."

This was under the Truman administration. It happened as often then as it happens now. The problem was just as real then as it is now.

Mr. PENDLETON. Mr. Chairman—

Senator JACKSON. Could we just clarify this point? As I understand the statistics, and I say again it really isn't too important, but I gather from the record that Robert Cutler was appointed January 21, 1953. This is as Special Assistant to the President for National Security Affairs. He resigned April 1, 1955. The title was changed to Special Assistant on August 1, 1953. Prior to that he was known as an Administrative Assistant.

Dillon Anderson was appointed April 2, 1955, and resigned September 1, 1956.

William Jackson became Acting Special Assistant on September 1, 1956, and he resigned January 1, 1957.

Robert Cutler then went back, was appointed on January 7, 1957, and he resigned July 21, 1958.

Gordon Gray was appointed on July 22, 1958.

I want to say they are all able men, and I say there are some fine men appointed by this administration.

Mr. PENDLETON. Thank you, Mr. Chairman. Those facts are exactly what I wanted in the record. Each of these men rendered a long period of service, not only in this position, as Mr. Cutler has on two different occasions, but also in positions that led up to this, as Gordon Gray did when he served as Assistant Secretary of Defense for International Security Affairs. And I think it is important that those facts be in the record in relation to your statement, Mr. Corson.

Now, turning again to your statement, you are referring to the career man's viewpoint and his experience. And lest counsel be

marked as being concerned only with executives recruited from the outside, I want also to note your statement :

Nowhere is this problem better illustrated than in the State and Defense Departments. The career man with a rounded understanding of foreign political affairs, of intelligence operations, of military management, and of economic development, and of the relationship between all four, is altogether too rare.

I would like to have you give me your opinion of three men whom my faulty memory calls to mind are career people in the Department of State.

First is Livingston Merchant, Under Secretary of State for Political Affairs.

Second, Loy W. Henderson, Deputy Under Secretary of State for Administration.

William S. B. Lacy, Ambassador Lacy, Special Assistant to the Secretary for East-West Exchange.

Do you think that the career service of the Department of State has qualified those men for the positions they hold?

Senator JACKSON. May I just—I don't want to get off the subject, but really it is up to the witness if he wants to respond, but I don't think the purpose of our hearing is to pass upon the quality or the competency of people serving in the Government. I don't think that is fair in view of the purpose for which he is up here. I will be very frank about it.

Mr. CORSON. Let me respond to the question as counsel has stated it. Your question, as I recollect the exact wording, was, Do I believe that the career service of the Foreign Service has equipped those men for the important national security posts they hold? To that question I answer, "No."

Now, I must add, I have met Mr. Merchant; I have come to know Mr. Henderson slightly. I know Bill Lacy well. I regard them all as very able people, and each, I believe, has had a significantly broader experience than is customary in the Foreign Service.

When you ask whether the career service of the Foreign Service has provided the array of experience needed in national security posts, I answer, "No." I do not believe that the traditional career service within the Foreign Service equips them with the breadth of understanding. My point is illustrated by the difficulties that this Government encounters in interrelating foreign aid administration and our traditional foreign service administration.

The Senate Committee on Foreign Relations has only within the last month asked that the President again consider how these activities can be better interrelated. This is part of the problem. The ambassador all too often who grows up in the career Foreign Service has not by virtue of that had any experience in the intricate problems of the economic development of a country, of what it takes to build up the resources of a country like Iran, if you will. He hasn't had that breadth of experience. Moreover, some men trained in the Foreign Service are inclined to discount the necessity of such understanding. Yet the administration of our total program in Iran, and a dozen other critical areas is a problem of managing some thousand-plus people, is a problem of managing an intricate array of activities from the building of dams to the revision of the budgeting and tax system of the Government. The career Foreign Service officer's pre-

vious responsibilities for political liaison, political and economic reporting, hasn't endowed him with an understanding of military management, foreign aid administration, and related fields. Our Ambassador to Iran is a very able fellow with long experience in the Foreign Service. He came to his assignment in Iran from an African country in which none of these foreign aid problems exist, right into Iran where he encountered a complicated batch of interrelated national security problems.

This is what I am talking about. I emphasize that the three gentlemen you mentioned are able and broadly experienced public servants. This Government is fortunate to have them.

Mr. PENDLETON. My last question refers to your "Possible Solutions." Item I:

The responsibility is now divided between the White House and Department heads on a most informal basis. Under existing practice, if any attempt is made to search out the right man for the job on a systematic basis, this is an exception to the general rule of leaving it to chance.

Would you mind, in order to clarify this point, what was the practice in the past? Was it the same as this or different?

Mr. CORSON. If by the past you are again trying to identify me with an earlier administration, I would say as best I can—

Mr. PENDLETON. Make it the Hoover administration, if you want; any administration.

Mr. CORSON. As best I know it, the practice was much the same. It was as haphazard. My only experience with helping this Government obtain people for such posts has been with this administration. I have had some minor opportunity to assist in seeking men for a few such assignments with this administration.

Mr. PENDLETON. Thank you.

Senator JACKSON. You were appointed by the President to help out, were you not, in 1953 or 1952?

Mr. CORSON. The firm with which I am associated was retained by a group within the Republican National Committee. I directed the work done by our firm.

Senator JACKSON. You were first appointed by the Republican National Committee in 1952 to assist in certain research and advice and counsel.

Mr. CORSON. Again to be precise, I say by an informal group within the Republican National Committee that was then considering what was in 1952 and is in 1960 an important problem, the problem of Presidential transition.

The problem is: What does a new administration do when confronted with the task of taking over? Our firm was asked to help in identifying those positions where a new administration would need able people for top policymaking posts. I appreciated the opportunity to do what I thought was helpful; I found it a most interesting experience.

Senator JACKSON. Senator Mundt?

Senator MUNDT. Well, I have just been scanning over the witness' statement because I was not here at the time he gave it. And I was a little curious about this statement about a central recruiting office of some sort tied with the Executive Office of the President.

Would you think that this would be a way for recruiting better people to the Government? You are talking, I presume, of these

offices that we refer to as political appointments; that is, appointments outside of civil service.

Mr. CORSON. I am.

Senator MUNDT. That change normally when an administration changes from one party to another.

Mr. CORSON. I am.

Senator MUNDT. And I take it that rather than a recruiting agency, this would sort of be a screening or sifting agency which would present to the President a panel of names that in the opinion of these expert recruiters or screeners would seem to have competency in their various jobs. It seems to me it is hard enough to get people of real stature to leave their businesses, to do a Charlie Wilson, for example, and divest themselves of millions and millions and millions of dollars of stock at a sacrifice of tremendous financial income, to take a job. It is hard enough to get them to do it if the President calls him up and says, "Charlie, you are exactly the man I need for this job."

The President usually can get the man he wants that way. I don't believe a recruiting, a screening agency calling up a Charlie Wilson—and I just use that as an illustration, people of that capacity in private business—I think you almost have to approach them through the personality and the persuasive capacity of the President himself.

Would you agree, or do you think a recruiting agency could go get them and bring them in?

Mr. CORSON. I am a little allergic to your use of the term "recruiting agency." I said earlier that I think what is not needed is a screening agency. What is needed is more positive help, (a) for the department head, and (b) for the President. They need the assurance that there has been an ordered look, "across the board," to find the ablest people that might be available for whatever key post becomes vacant.

As it is now, as I see it, they must rely, in considerable part, on the department head's limited acquaintance or on the acquaintanceship of his assistant secretaries to find the needed man. The need is for an agency that will help the Assistant Secretary, the department head, and the President, that will help by looking more broadly and more considerately for the ablest people there are, than can the busy assistant secretaries, secretaries, or the President, in their spare time.

Senator MUNDT. Which I think is very important. I think they render a great service. I think maybe we don't exactly understand each other, what we mean by a recruiting office or by a screening office. I don't mean, of course, that the President picks them and then they screen them. I didn't mean that. I mean an office that would search the country over for the best people. But I am talking about how you get the best man on the job.

It seems to me at that stage the recruiting office has far less efficacy and gets far less results than if the President or a Secretary of Defense, let us say, or Secretary of State, were individually to call up the man that had been found by this, what I call a researching agency, an agency to find the best man.

Ultimately when you make the find and get him away from his private practice, that is going to have to be done by somebody besides a recruiting office.

Mr. CORSON. I heartily agree. It is a point made before you came in.

Senator MUNDT. I have one other question. That is about the phrase "contracting out." I am a great believer, myself, in the concept of contracting out. I was one of the coauthors of a bill which passed the Senate and ended up in the House which tried to provide for greater utilization for farm products, for industrial products, by contracting out to business concerns and to other concerns with stimuli provided by the Government. And I am taking as an example known processes of making wet paper out of cornstalks, and to do it instead of just finding out it can be done and then stopping there.

Now, you are talking about contracting out in terms of a broader concept, and I would appreciate it if you would dilate upon that a little bit as to what functions you conceive as being contractual functions that you could place in the hands of these experts who would continue to serve in their private capacities, but make their reports and their know-how available to the Government. Just what did you have in mind?

Mr. CORSON. I illustrated earlier the wide array of functions that the Government may, and does, contract out. For example, the Rand Corp. develops highly important plans. In the development of missiles, the Space Technological Laboratories provide, under contract, very valuable engineering services. The Union Carbide Corp. manages a laboratory for the Atomic Energy Commission, as does the University of Chicago. Other contractors conduct training programs for Federal officials, for example the Brookings Institution. These are illustrations of how Government can reach out and get the ablest talent that there is in this country for a specific job.

Senator MUNDT. You are thinking in terms, as I envision it, of bringing in by contract this high caliber talent to achieve specific results in specific areas to handle projects which need to be handled.

Mr. CORSON. Even as the Senate does, if you will, in the retaining of the Brookings Institution to make a study of foreign affairs administration. Here again Government reaches out, bringing in the talents of people who have had particular experience, and once they have finished, they are through. On some assignments, maybe we may continue indefinitely with them even as Union Carbide continues to run the Oak Ridge Laboratory for the AEC.

Senator MUNDT. Precisely. When I was in the House as a member of the House Committee on Un-American Activities we ran into a lot of controversy constantly on what the functions of the investigating committees were, what the rights of the witnesses were, how you were going to relate them, and I recall that we turned over to the Brookings Institution this problem and said, "Why don't you try to work out some rules of conduct for everybody?" which they did, and which we adopted. They became the rules for the House Un-American Activities Committee and they have pretty well become the established rules of all investigating committees since.

They published a little booklet. All they had, of course, was moral persuasion but it made sense, that they could do the job in looking at it objectively.

I would like to carry it a little bit further. We are talking here about the efficient use of manpower. We are talking here in terms of utilizing the best abilities, bringing them into Government. I wonder whether there isn't a function that you could put under the heading

of contracting out whereby you could get some of these efficiency concerns—I don't know what they are called but they are corporations—to take a look at the whole operation and see how they are doing, the loss of manpower here and wasted effort there. I think it would be a wonderful thing for each of the units of Government on occasion if outsiders come in and take a look at what we are doing, and see whether we are getting efficient results with the mechanisms that have been established for the personnel.

Mr. CORSON. Senator, I couldn't agree with you more. I happen to represent one such firm.

Senator MUNDT. I assumed that. I wasn't sure what the firm was.

Mr. CORSON. Thank you very much.

Senator MUNDT. I think it is a great service. The difficulty is that after outfits like yourself make the recommendations, it is very difficult to get them implemented.

Mr. CORSON. This is a problem. It may be relevant to your question to make this self-serving declaration. Over the past 10 years our firm has been retained to make such analyses of the operations of at least 25 or 30 Federal agencies.

We are currently engaged in a number of such studies. You do put your finger on the problem. Simultaneously we are engaged in the same kind of service to many private business firms. In private business, after you have made an analysis, it is easier to go to the president and get action. He has greater freedom to decide, "Yes, this we will do and we will start tomorrow," than does the head of a Federal agency. The Federal official may have to come to Congress for legislation to make the corrections that we recommend.

We are presently studying the operations of the Civil Aeronautics Board. Some of the changes that we may conclude—and it is too early to come to any such conclusion—may require the action of Congress. This takes a longer period of time. It involves other issues than the mere efficiency of that agency, and, as a consequence, it is more difficult to bring about change. Yet a decade's experience suggests that in the long run a competent firm that will stick with the agency can achieve most of what is needed.

Senator MUNDT. Well, I am sure that is right. I happen to have some familiarity with some of these studies in one or two of the departments of Government, and I think that possibly basically some of the reorganization plans to be set up under the Hoover Commission concept have grown up out of recommendations made by organizations like yours.

It is more difficult. I understand that. And there is a big question whether, after you make your report, what do you do with it? Do you just give it to the Department or give it to Congress and the country? You develop some pressures to get the job done. But you can't assume omnipotency even for an organization like yours. Some organizations might make a mistake along the line. So, by giving too much publicity to it too soon, it could conceivably render it of no use; is that correct?

Mr. CORSON. That is correct.

Senator JACKSON. Senator Javits?

Senator JAVITS. Mr. Corson, first, I want to thank you for being with us and helping us in this vital inquiry.

I notice a number of your recommendations to which I would like to refer. One is item No. 4, where you say:

We must accept frankly and fully the necessity of utilizing as executives in key jobs men drawn temporarily from industry who will continue to be compensated by their private employers.

Now, have you read the Bar Association of New York's proposals on that score which are contained in their report of the special committee on Federal conflict-of-interest laws and my bill, S. 3080?

Mr. CORSON. I have, and I think they represent a very constructive effort to meet this situation.

Senator JAVITS. Do you think it represents a balanced approach to effect this result?

Mr. CORSON. I think it represents a balanced approach to meet a very difficult problem which is, in part, a public relations problem.

Senator JAVITS. Do you think that is a commendable effort to make progress along that line?

Mr. CORSON. I assuredly do.

Senator JAVITS. Now, you mentioned in your item 5 the need for having more private citizens in an advisory capacity. Have you done any thinking about whether that ought to extend to the National Security Council? That is the highest echelon of policymaking in Government.

Senator JACKSON. Well, we have a problem. We agreed that any testimony, the witness having served on the Gaither Committee, any testimony relating to the National Security Council, we would take in executive session. If you want to refer to the executive level, we can do it, or we can have Mr. Corson brought later in executive session. But I do want—

Senator JAVITS. All right. Do you have any specific suggestion for the use of an advisory committee in the governmental hierarchy, particularly in the strategic policymaking level, using this in the cold war, rather than in its military sense?

Mr. CORSON. Well, it seems to me we have used in the Government a succession of such committees dealing with problems. Senator Jackson has referred to one on which I had the privilege of serving that I will not refer to further. The Boeschenstein Committee studied the problem of the Soviet economic offensive; the Draper Committee studied the problem of military assistance and foreign aid. I had the privilege of serving as a consultant to each of these committees. In my opinion, each committee contributed meaningfully to the making of policy in the national security area.

I think that they brought to these problems some very able minds from industry and from the universities. They developed viewpoints, ideas, and provocative suggestions. These were quite useful to the Departments, and, as well, to the President.

Senator JAVITS. Those are what you would call ad hoc committees.

Mr. CORSON. They were.

Senator JAVITS. There is considerable thought in the country that we might need a continuously functioning group to give us and Congress and our Government the best minds of the country on these overall strategic problems. Have you done any thinking about that?

Mr. CORSON. Senator, I haven't thought the problem through. I have a reaction if you will accept it as such, that the problems in the

national security area are not repetitive. They are a succession of constantly new problems or, at least, old problems arising in new forms. Hence it seems to me the ad hoc committee has an especial utility. It permits the President to bring to a particular problem individuals with especially relevant experience at the time a problem is urgent.

I am not sure the continuing committee—and again I emphasize I haven't thought the problem through—but my reaction is that the continuing committee does not serve that purpose.

Senator JAVITS. As an illustration, you take this U-2 situation going on now. It occurred to me in that connection, for example, as an example of what a continuing group could do, that you just didn't have time to organize an ad hoc group of the best minds of the country, the leading publicists, the top radio and television people, people who have testified before this committee, who have a tremendous reservoir of brains, on how these problems ought to be handled, and yet our Government came to a very major decision—the decision, as we all know, being to own up to the fact that this plane was actually there for intelligence purposes.

Now, that raised the question in my mind as to whether in the present day these ad hoc committees are adequate.

We are talking about machinery here and the question is do we have an adequate piece of machinery to get the best minds when we run into this kind of a very high level decision of the greatest urgency and in which you would love to call up all your friends but you just haven't got the time.

Mr. CORSON. Senator, we cannot substitute advisory committees for the effective functioning of the agencies of the executive branch of this Government. We can supplement the executive branch by the suggestions of the best minds we have in this country on specific problems, but I would doubt—and again this is a reaction to a problem that you have thought about more than I have—but I doubt that it is wise for the Government to rely on an advisory committee for this kind of an immediate decisionmaking.

Senator JAVITS. Now, I just have one other question. We have had a lot of discussion here with business executives—we had two yesterday—who felt that the businessman sort of runs into a problem that troubles him with the publicity which he faces from the legislative branch, particularly its investigations, and so on, which I notice you specify rather well, I would say, in your statement.

Like Senator Mundt, I didn't have a chance to hear it. We had another meeting downstairs. But you set forth what worries the businessman.

Now, question: Do you think that it would be helpful if we could set up some technique by which the new man in Government had a public defender up here right in the Congress? In other words, if he was under assault, there might be another group like this one which is also a functioning committee of the Congress, which would look over a situation and perhaps undertake his defense; and then also I emphasize that each of us, from our States, perhaps me from New York more than others, because we are so heavily represented in the executive echelon, must be in a position to assure people that we will go out and fight for them, that they are not friendless and alone, and that

the club doesn't dictate that if somebody attacks a man, nobody is going to defend him.

Do you think that could help us, and if so could it be put in some more coordinated and organizational way than I have just put it to you?

Mr. CORSON. I would not put it in any more coordinated and organized fashion. Earlier, in response to some questions Senator Muskie posed, I expressed the opinion that the top political executive and the top career executive that really is successful in Washington is the man who is able to sell his program, and who accepts the responsibility of selling his program to the congressional committee, to the public, and to agencies of the executive branch as an integral and important part of his job.

The individual who has been trained and skilled in such an authoritarian atmosphere that he hasn't had to do this, the individual accustomed to dictating to his staff is the individual least qualified for effective service in this environment.

Senator JAVITS. Thank you, Mr. Chairman.

Senator JACKSON. Thank you very much, Senator Javits.

And once again, Mr. Corson, I wish to express to you our appreciation for taking time out, as I said earlier, in your very busy schedule, to be of help and counsel to this committee. We, I am sure, will be calling on you later for further advice and counsel when we get down to some of these specific problems.

We are very grateful to you.

Mr. CORSON. Thank you, Senator.

Senator JACKSON. We have one last witness.

In the brief span of years our second witness this morning has distinguished himself both in law and Government. In Washington he has served as Assistant Secretary of Health, Education, and Welfare. In New York he has served as counsel to Governor Rockefeller. He is now a partner in the firm of Debevoise, Plimpton & McLean. Over the past 2 years he has been chairman of the Special Committee on Conflict of Interest Laws of the Association of the Bar of the City of New York. The report of that committee just recently issued deals with matters of direct concern to this subcommittee.

We are very grateful to Mr. Perkins for coming down from New York this morning to discuss this important problem with us.

Mr. Perkins.

STATEMENT OF ROSWELL B. PERKINS, CHAIRMAN, SPECIAL COMMITTEE ON CONFLICT OF INTEREST LAWS OF THE ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK

Mr. PERKINS. Thank you very much, Mr. Chairman. I certainly appreciate the invitation to appear before you and to present some of the results of this 2-year study that you referred to of the Special Committee on the Conflict of Interests Laws of the Association of the Bar of the City of New York.

The committee conducted research on both the legal and factual fronts, the legal being an extensive analysis of the laws and regulations in the conflict of interest field and the factual research consisting

of over 200 interviews of present and former Government officials concerning the operation of the laws and their impact.

Our recommendations were issued in the form of a prepublication edition of our report on February 22. At that time a bill which we had drafted and included in our report—as embodying our recommendations in detailed legislative form—was introduced on the Senate side by Senator Javits with Senator Keating and Senator Proxmire joining with him, and on the House side by Congressman Lindsay. That bill on the Senate side is S. 3080.

The report of our special committee, which will be published by the Harvard University Press in about a month, has two themes. The first is that ethical standards within the Government must be beyond reproach and that there must, accordingly, be effective regulation of conflicts of interest in Federal employment. The second is that the Federal Government must be in a position to obtain the personnel and the information that it needs to meet the demands of the 20th century.

These two themes are coequal. Neither may be safely subordinated to the other. What is needed is balance in the pursuit of the two objectives. We need a long-run national policy which neither sacrifices governmental integrity for opportunism nor drowns practical staffing needs in moralism. We need a careful regulatory scheme that effectively restrains official conflicts of interests without generating pernicious side effects on recruitment.

Now, the basic conclusion of our special committee is that such a scheme can be worked out. Our report and the Executive Conflict of Interest Act which we propose contain a recommended new program for achieving this result.

It has been suggested by Mr. Mansfield that the committee might be interested in a brief review of the existing restraints. In other words, what did we find that was wrong with the present statutes today? I will take a few minutes to summarize our conclusions on this score.

We concluded that the legal and administrative machinery of the Federal Government for dealing with the problem of conflicts of interest is obsolete, inadequate for the protection of the Government, and a deterrent to the recruitment and retention of executive talent—

Senator MUNDT. May I inquire, is the witness reading from a different statement?

Senator JACKSON. The statement that we have represents extracts and he is ad libbing at various points.

Senator MUNDT. Very good. I was just trying to catch up with him and follow him, and I got lost.

Mr. PERKINS. This isn't in your version, sorry, Senator.

Senator MUNDT. That is quite all right. Now I will just listen.

Mr. PERKINS. And also a deterrent to the recruitment and retention of executive talent and some kinds of needed consultative talent.

Now, first as to obsolescence. The statutory law—most of it a century old—is not broad enough to protect the Government against the manifold modern forms of conflict of interest. Most of the statutes were and are pointed at areas of risk that are no longer particularly significant; mainly the prosecution of Government claims. Today, with the greatly expanded regulatory functions of the Fed-

eral Government, applications for rulings, clearances, approvals, licenses, certifications, grants, and other forms of Government action are far more significant in the daily operation of Government than the prosecution of claims. Several of the basic statutes now on the books do not concern themselves at all with these modern governmental activities.

Other aspects of obsolescence in the present statutes are:

(a) Their focus of interest upon a class of lower ranking politically appointed clerks that has disappeared. The Government today obtains its manpower through a vast civil service, a top layer of short-term political appointees, an increasing group of advisory and part-time personnel, and through an unlimited variety of contracts for services provided by non-Government personnel.

(b) Their failure to recognize internal procedures of modern Government, such as the flexible processes of personnel administration available to assist in enforcement.

(c) Their lack of recognition of the facts of modern economic life, such as the existence of private pension plans.

(d) Their failure—and perhaps this is the most important thing of all—to recognize the essential blending of public and private endeavor in the modern American society, as illustrated by the partnership of Government, industry, and educational institutions in the science field.

Senator MUNDT. May I interpose a question? Wouldn't there be a fourth new development that should be taken into consideration in view of a century of economic growth, and that is the general development of the corporate structure?

Mr. PERKINS. Yes, sir.

Senator MUNDT. They have so many shares of stock outstanding that somebody who might own 100 shares or 1,000 shares couldn't conceivably engage in any conflict of interest to benefit himself materially because shares are so widely scattered around the public. It seems to me when we hold a man up to public scrutiny and say, "Are you fit or unfit to hold a public position because you have 200 shares of stock in General Motors or 1,000 shares of stock in General Electric?", to me at least, it doesn't seem realistic that he can do anything to benefit himself if he were conniving to do it because there are just too many shares of stock. Am I right or wrong about that, and would you comment?

Mr. PERKINS. You are clearly right, and that would be one other example of what I gave as a general specification; namely, the lack of recognition of the facts of modern economic life.

The very broad ownership of American enterprise and the increasing commonness of persons holding shares in corporate structures unquestionably is one of the developments of economic life that has to be recognized.

Now, as to another inadequacy—and this second one is partly by reason of the deficiencies in the statutory law—administration of the conflict-of-interest restraints has always been weak. The Government over a period of many, many administrations has failed to provide a rational, centralized, continuing, and effective administrative machinery to deal with the problem. If the statutes presented a coordinated whole, a unified program, and if they imposed direct responsibility on the President to carry out that program, the central coordination and leadership missing over these past many administra-

tions would improve. A well-administered program could and should guide the thousand good men as well as snare the one bad one.

The third deficiency is uncertainty in interpretation. Enacted fitfully over a 100-year span, the uncoordinated statutes are inconsistent, overlapping, and at critical points defy interpretation.

A fourth deficiency lies in an area for congressional concern. Congress has done a useful and constructive job in its capacity as an investigator. But the Senate confirming committees have seldom considered the overall issue of conflict of interests in relation to recruitment. The Armed Services Committee has applied a wavering standard of stock divestment, useful for certain purposes, but over-emphasizing one single source of conflict-of-interest problems and having little bearing on the question of actual conduct in office.

Fifth, the fifth deficiency is in recruitment. The main adverse effect of the present system is its deterrent effect on the recruitment and retention of executive talent and some kinds of consultative talent. The restrictions tend to encircle the Government with a barricade against the interflow of men and information at the very time in the Nation's history when such an interflow is most necessary.

Now, as to our recommendations for seeking to meet some of these deficiencies, I shall state our 13 major recommendations and, as you will see, some of them point in the direction of broadening the scope of the statutes and closing loopholes in the present laws. Nevertheless, these recommendations for expansion and tightening will not, in our view, in any way adversely affect recruitment. Others of the recommendations point toward realistic adjustment of the laws in ways which will help facilitate recruitment, and I will return to these recommendations for a more detailed consideration after my listing of all 13.

The capsulized statement of these recommendations may seem unduly general and vague to you. However, I ask you to keep in mind that each is backed up by precise statutory language in S. 3080, our proposed Executive Conflict of Interest Act, as introduced by Senator Javits, and a detailed technical commentary in our report on each provision.

RECOMMENDATION 1

Conflict-of-interest problems should be recognized and treated as an important, complex, and independent subject of attention and concern in the management of the governmental establishment.

RECOMMENDATION 2

The present scattered and uncoordinated statutes relating to conflicts of interest should be consolidated into a single unified act, with a common set of definitions and a consistent approach. Archaic provisions should be repealed.

RECOMMENDATION 3

The restraints contained in the present statutes should be greatly expanded in their scope by making them applicable to essentially all matters in which the public deals with the modern Federal Government.

RECOMMENDATION 4

Certain important restraints now covered in regulations or not at all should be included in the basic statutes, particularly restraints relating to receipt of gifts and coercive use of office.

RECOMMENDATION 5

The statutes should permit the retention by Government employees of certain security-oriented economic interests, such as continued participation in private pension plans.

RECOMMENDATION 6

Wherever it is safe, proper, and essential from the viewpoint of recruitment, the statutes should differentiate in treatment between regular employees and citizens who serve the Government only intermittently, for short periods, as advisors and consultants.

RECOMMENDATION 7

Regular, continuing and effective enforcement of the law and regulations should be assured by emphasizing administrative remedies, rather than the clumsy criminal penalties of present law. The criminal penalties must be retained but they should be in the first instance administrative remedies and with the criminal penalties backing them up.

RECOMMENDATION 8

The statutes should create the framework for active and effective administration of the system of conflict-of-interest restraints, headed up with clear responsibility in the President. The President should designate, pursuant to the proposed act, an administrator to assist him in this function.

RECOMMENDATION 9

In addition to the statutes themselves, there should be a "second tier" of restraints, consisting of Presidential regulations amplifying the statutes, and a "third tier," consisting of agency regulations tailored to the needs of particular agencies. The responsibility for day-to-day enforcement of the statutes and regulations should rest upon agency heads.

RECOMMENDATION 10

At all levels of administration potential conflict-of-interest problems should be headed off by preventive action, such as, for example, orientation programs for all new employees to acquaint them with the applicable conflict-of-interest rules, and periodic reminders as to such rules.

RECOMMENDATION 11

There should be more effective prohibitions and penalties applicable to persons outside Government who induce or participate in conduct by Government employees in violation of the conflict-of-interest laws.

RECOMMENDATION 12

Each committee of the Senate considering a Presidential nominee for confirmation should be given the benefit of a full analysis, prepared by the Administrator in consultation with the Department of Justice, of any conflict-of-interest problems the nominee's particular situation may present. The confirming committee should give due consideration to this analysis and to the protections afforded by a modern and effectively administered overall scheme of conflict-of-interest restraints, if one is put into effect.

RECOMMENDATION 13

The Congress should initiate a thorough study of the conflict-of-interest problems of Members of Congress and employees of the legislative branch of the Federal Government.

I have presented all 13 of these partly to give you a picture of what I would regard as the balance of our total approach. It is one of broadening the laws and tightening them on the one hand, at the same time adjusting them in certain respects.

I would now like to focus on three of the foregoing recommendations which would help to facilitate recruitment.

Recommendation No. 5, you may remember, called for clarification of present laws to permit the retention by Government employees of certain security oriented economic interests such as continued participation in private pension plans.

Hallmarks of modern American society are the pension plan, the group insurance plan, and other kinds of security-oriented arrangements. They are the basis of long-range economic planning by millions of individuals and families. Under present conflict-of-interest laws—passed when few, if any, of such plans existed—there is some doubt whether an employee of the Government may legally continue as a member of some plans maintained by his former employer, at least if contributions to the plan by the employer are regularly made which benefit the Government employee. This overhanging doubt presents a great deterrent or creates a severe hardship to the non-career employee.

Our proposed act permits Government employees to continue their participation in certain private plans under some circumstances and with adequate safeguards. For example, it would permit a Government employee to remain a member of a pension, group insurance, or other welfare plan maintained by his former private employer so long as the employer makes no contribution to the plan on behalf of the former employee who is in Government service. Similarly, a Government employee could continue to belong to certain of these plans even if the former employer does make contributions on his behalf, so long as the payments by the former employer continue for no longer than 5 years of Government service.

Now, that term of 5 years is a somewhat arbitrary selection. It happens to be the time in which civil service pension plans become vested. There is no magic to the 5-year period. However, we do think it is a reasonable period within which one might say that a Government employee continues to be primarily oriented to a career

outside of Government and that after that time it would be unwise and unsound to have a continued tie-in with an outside organization.

That, of course, would not be true of vested pension plans which one could, and always has been, able to continue even though in Government service.

Now, there have been many examples of hardship. I know in my own experience of an individual who served as an Assistant Secretary at the same time I was serving who stripped himself of all his security arrangements with his private employer, which is a well-established firm in the Midwest.

I think it was an extreme act of patriotism on his part to do so. He felt the call of duty when he was asked by the President to come down here, but he literally denuded his family, with three growing children headed for college, of any security whatsoever. An entire career of 20 years with this company had been swept away in one stroke. I think that the vast majority of men in the same situation would not have undertaken the hardship which he did and the risks which he took.

And there certainly have been dozens and dozens of examples in which this precise problem has been one of the many deterring factors which has added up to a negative answer in response to a request to come to Washington.

I would like also to emphasize that our recommendation as to retention of security-oriented arrangements would in no way permit an individual to have anything to do with the company in which he would hold continuing pension rights.

We stress this in another portion of the proposed statute; the matter of disqualification dealing with an organization in which you have an interest. We would say that if you hold pension rights in a given company—and even more so, if those pension rights are being contributed to by your company while you are in Government—you would have no business making any recommendations or participating in any way in matters that would affect that company.

We think that this recommendation 5 is extremely important. It is simple in concept, and, I, personally, am confident that it is acceptable to even the most ardent advocates of more stringent conflict-of-interest laws.

Turning to recommendation No. 6, recommendation 6 calls for some differentiation in treatment between regular employees and citizens who serve the Government only intermittently, for short periods, as advisers and consultants.

To an ever increasing extent the Government is dependent for information and advice—for learning not only how to do it, but what to do—upon part-time, temporary, and intermittent personnel. These serve individually, or as members of committees, but that service is in addition to their regular private work as scientists, technicians, scholars, lawyers, businessmen, and so on.

Technically, they are, however brief their service, “employees” of the Government, and at present, all of the conflict-of-interest statutes apply to them. This fact has brought about both refusals to serve and conscious or unconscious ignoring of the statutes by those who do serve. It has also resulted in a welter of special statutory exemptions,

which add up to nothing but discrimination between governmental employees who are serving on a temporary or intermittent basis.

Now, as a couple of examples of this situation, one of my own partners served as the counsel to the High Commissioner of Germany, Mr. McCloy. When my partner returned from Germany after 2 years of distinguished service, he was asked by the State Department if he would continue as a consultant on German affairs. Obviously the State Department wanted to have the advantage of the intensive experience which had been acquired by this individual during a critical period of German affairs.

After examination of the conflict-of-interest laws, and particularly 18 U.S.C., sec. 281 pertaining to assisting in matters involving claims, controversies, or other matters with the U.S. Government, it became apparent that to serve might run a risk of violation of law by the individual since our firm, like every other law firm, has a going current tax practice.

Day to day our clients have matters dealing with the Internal Revenue Department. Some of the clients also have contractual matters with the Government. We never can tell what clients may be involved in what at a given time, and the scope of sec. 281 of 18 U.S.C. is so broad that a part-time employee who is a partner in a firm which is advising and serving as counsel and representative to companies who are doing business with the Government or have tax claims against the Government or are fighting tax claims by the Government, that that would be a violation.

A second example is that of a close friend of mine, a senior lawyer in New York who for years was president of the Civil Service League and has spent a good deal of his entire life being interested in and supporting civil service.

He was asked either to chair or be a member of a new advisory committee which the Civil Service Commission was creating. He, too, came to the same conclusion that as a partner in an active firm, he could not possibly do it without running the risk of violation of 18 U.S.C. 281 and other statutes.

In my own case, shortly after I left Health, Education, and Welfare, I was asked to take three separate posts of a part-time nature.

One was as a consultant on school construction. Another was to be a member of the National Advisory Council on Mental Health at the National Institutes of Health.

And another one was to serve on the Social Security Financing Advisory Council.

I had to turn down all three of these on the very same grounds. While these are not jobs that were pertaining to national security and national defense, I shudder to think of the number of situations in which the statute is either being completely overlooked or else people are turning down the opportunity and the duty to serve their Government because of the technicalities of the present laws.

Senator MUNDT. I think the chairman will recall that he and I a number of years ago were members of a very exciting committee, the so-called Army-McCarthy investigations. We were charged with the responsibility of getting a counsel. We spent, I think, 2 weeks, or maybe longer, trying to find one.

We had a wonderful group of people recommended to us by the American Bar Association. We had to have someone who would be absolutely fair to all parties concerned. We didn't have much difficulty locating anyone as far as their being fair was concerned, but as we went back through their names, directly or indirectly they were doing business with the Defense Department. Since it was sort of a contest of man against the Government, man against the Defense Department, it took us a long time before we finally found down in Tennessee a great, competent lawyer by the name of Ray Jenkins who had no connection with the Government whatsoever. It is certainly in my mind the whole conflict of interest problem, if you look at it in that aspect. I can appreciate the problem of you lawyers in New York City or any other city where you have business clients who almost invariably must either directly or indirectly be doing some kind of business with the Government or having a tax matter.

Now, of course, in this international complex in which we live, especially I presume in coastal cities, you have the problem magnified because of conceivable conflicts of interest between some other country and the United States.

Senator JACKSON. If we might interrupt a moment, Senator Javits has to leave right away and he wants 1 minute to ask a question, if we could just interrupt, if you will excuse us, Mr. Perkins.

Senator JAVITS. I wanted to express my great pleasure at having Mr. Perkins here. His services in our State have been most distinguished, and I think he is now in a position where he and his committee will serve our country enormously in respect to this matter of conflict of interest.

I hope you will excuse me for having to leave, but I do have something else very important at 12:30. I did want to ask you one question which came up in the discussion here with Professor Manning, who has now become a consultant to the committee.

There is some idea that we ought to provide in the bill for the waiver of provisions—beyond what is now provided in the bill—by the President when he has to, in order to attract a certain man urgently needed in the national interest.

Secondly, that we ought to think about and make some provision for the interpretive and advisory function at the level of the individual employee in the particular department instead of putting up to the employee the problem of going to his agency head, which makes it an official matter, and having the agency head get the advice, the analogy being the committee set up when I was Attorney General of New York to advise individual employees so that they could be helped and not run afoul of the law without getting into a complicated proceeding with their agency head or employer, as the case might be.

I don't expect an answer necessarily to both of those, but I would like to submit those to you.

Mr. PERKINS. Very good. I will certainly try to cover those. I think in two places in the statutes we do have provision for Presidential exemptions. As to how much further you can go, I think it is certainly worthy of very careful exploration. I also think that more can be done on the advisory side for the individual better. However, there is a problem of coordination with the Justice Department. The Justice Department properly feels that it has to stay somewhat

aloof from advising, in the sense that they have the ultimate responsibility for enforcement.

On the other hand, they don't want other people trying to give advice as to what the law is. This is an inherent and difficult problem. In any event, I think that we should make every effort to find new approaches toward giving the employee some firm guidance when he is faced with a particular conflicts problem.

Senator JAVITS. Thank you very much. Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Senator Javits.

Mr. PERKINS. Mr. Chairman, if I may continue with my discussion of the intermittent employee, having given a few examples of the problem—and picking up in the middle of page 6. Our proposed act distinguishes, in a few key places where it is safe and proper, between rules for regular full-time Government employees and rules for what are defined as “intermittent employees.” Under the proposed act, an “intermittent employee” is anyone who, as of any particular date, has not performed services for the Government on more than 52 out of the immediately preceding 365 days. The 52-day limit could be increased to 130 days by Presidential order in a narrow class of cases.

For these intermittent employees, we suggest certain special rules under the proposed act.

I should interpose here that the vast bulk of the conflict-in-interest restraints can be applied equally to the intermittent and the regular employee, and it is only in a few important and key places that you would have to adjust the laws to permit intermittent employees to serve.

For example, regular full-time employees would be forbidden to assist private parties for pay in transactions involving the Government, as they are prevented essentially today; intermittent employees, who have to earn a living in addition to their occasional Government work, would be allowed to assist others for pay in such transactions, except in cases where the particular transaction is, or within 2 years has been, under the intermittent employee's official responsibility or where he participated in the transaction personally and substantially on behalf of the Government.

I would like to add here that a formulation of conflicts standards for intermittent employees is substantially incorporated in a vast number of the exceptions which are now in effect for certain advisory committees and bodies. I referred earlier to the welter of statutory exemptions for intermittent employees and their discriminatory aspects.

What these exemptions say, in effect, is that the basic conflict-of-interest statutes won't apply, but there will be reimposed on the intermittent employee a somewhat narrower test along the lines of the one I just suggested. We think the proper standard should be incorporated in the statute across the board, and Congress would be through with the vast number of bills it gets for special exemptions for special advisory committees, none of which are more meritorious than any of the others.

Incidentally, if you look at the last section of our proposed bill containing repealers, you will find that at least five of these special exemptions which now exist for intermittent employees pertain to the

advisory commissions set up under various of the fisheries acts of the U.S. Government for different waters of the United States: The Great Lakes Fishery Act, the Tuna Conventions Act, and the North-west Atlantic Fisheries Act, and the North Pacific Fisheries Act of 1954.

Our thesis is that these exceptions, which apply a narrow test to the intermittent employee, should be picked up and applied across the board. In that way recruitment of part time, intermittent personnel would be facilitated.

Similarly, since intermittent employees, by definition, are employed by organizations in addition to the Government, they would not, under our proposed bill, be subject to the rule forbidding their Government pay to be supplemented from private sources in return for personal services. Finally, the rules we propose as to receipt of gifts are somewhat different for the two classes of employees.

Turning now to recommendation 13—the third of the three which I am discussing particularly because they involve the facilitation of recruitment—our recommendation 13 deals with the problem of Senate confirmation. There is substantial evidence that the Government's efforts to recruit top-level executives have been impeded by the requirements of stock divestment imposed by the Armed Services Committee of the Senate.

Now, this problem cannot be dealt with by statute. The confirmation power is a constitutional prerogative. However, this problem should be a subject of joint concern and increased cooperation between the executive branch and the Senate. There is some evidence that recently the executive departments have taken more pains to prepare their nominees for confirmation. Legal opinions have on occasion been furnished by the Justice Department; plans have been worked out in advance of hearing as to what need be sold and what could be kept, and representatives of the appointing department or agency confer in advance of hearing with appropriate authorities of the committee.

If the proposed act were passed, the administrator would become the central repository for all information concerning conflict of interest, and he would be expected to assist the executive branch in working out regular procedures for preparing nominees for confirmation. He could, in cooperation with the Department of Justice and general counsel to the agency in question, prepare a full analysis of the conflict-of-interest problems of the particular nominee. Over a period of time, these analyses might be given substantial weight by the confirming committees, and they might add up to a body of precedents that the committees would be able to follow and look toward.

Furthermore, if a modern and effective system of statutory restraints is adopted by Congress and implemented by active executive branch administration, the confirming committees might be willing to place greater reliance on the statutory rules and procedures. One clear example is the procedure for disqualification recognized by the proposed act where a government official holds a particular economic interest in a private entity.

For example, take the case of Robert Sprague, who came before you early in your deliberations. Mr. Sprague was nominated as Assistant Secretary of the Air Force in January 1953. The Senate Armed

Services Committee opposed his confirmation because he refused to sell his shares in his family firm, the Sprague Electric Co. His nomination was thereupon withdrawn on February 11, 1953.

I feel confident that if there had been on the books a strengthened version of the present title 18, United States Code, section 434, which is aimed at self-dealing, and if there were presently in operation a well-established and effective system for self-disqualification of officials from any matters in which they might conceivably have a personal economic interest, the Sprague appointment could have been saved. In other words, the confirming committees will relax their efforts to impose a broad wall of disqualification prior to assumption of office only if they can be assured that a strong and workable program exists for disqualification after assumption of office in specific situations. In brief, the confirming committees can be greatly aided in performing their function realistically, in the light of recruitment needs, only if Congress as a whole lends support by modernizing the entire structure of conflict-of-interest restraints.

There are several more points I would like to make, if I may, Mr. Chairman, continue.

Having made these recommendations, I wish to point out one of the major difficulties to legislative reform which I see. That is the number of contradictory attitudes which exist in the various committees of the Congress which have an interest in this problem. The conflict-of-interest problem is being pursued or touched upon by a number of committees operating on wholly different fronts.

For example, we have the House Judiciary Committee. The Anti-trust Subcommittee of the House Judiciary Committee has conducted extensive staff studies, and has conducted several hearings on Congressman Celler's bill and other bills. Mr. Celler's orientation appears to be almost wholly one of wanting to tighten the criminal laws and, in effect, his recommendations would make it more rather than less difficult for the Government to utilize advisory and intermittent employees.

Second, the House Interstate and Foreign Commerce Committee through the Committee on Legislative Oversight has been pursuing specific instances of wrongdoing or conflicts of interest in independent agencies. The orientation appears to be one of closing off informal relationships with regulated industries and dealing with the problem of favors and gifts.

Third, the House Armed Services Committee through a special subcommittee, the Hébert subcommittee, has considered the problem of retired military officers taking jobs with defense contractors. And this is only one facet of a broad problem of postemployment activity.

Fourth, the Senate Armed Services Committee. You are all familiar with the confirmation processes and the concerns of that committee.

Fifth, the Senate Judiciary Committee, its Subcommittee on Administrative Law under Senator Carroll, is keenly interested in conflict of interest from the viewpoint of administrative processes.

And finally—yet it is not “finally” because I am sure there are still other committees—there is your committee. This committee has demonstrated, I would say, the keenest awareness thus far of any committee in the recruitment aspects of the conflicts problem.

I am convinced that any reform, any intelligent reform, can be achieved only by bringing together all of these different viewpoints and committee experiences. How it can be done I am not quite sure. One approach would be to create a special ad hoc committee, preferably a joint committee, to take testimony from all the differing standing committees in order to get their special viewpoints and experiences. I think it would require great leadership and drive on the part of several key legislators, but I am convinced the accomplishment would be tremendous.

There is one other point I want to make and that is to encourage what I understand to be the chairman's desire to at least consider the formulation, or the pros and cons of formulation, of a possible new relationship between Government, the individuals needed for Government jobs, and the private employers. It seems to me entirely possible that an acceptable pattern of dual compensation could be worked out in particular situations.

Now, our proposed act goes part way in two respects that I have already covered:

First, by permitting private pension and insurance arrangements to continue for a limited period and under appropriate safeguards, complete severance with one's former private life is avoided.

And second, by removing some of the barriers to employment of advisers and consultants, the proposed act would permit part-time Government employment for more persons on a broader basis.

However, our special committee did not take the next step, namely, to recommend removing the present ban against outside compensation for the full-time Government employee. This ban is contained in the present 18 U.S.C. section 1914. Its justification is very real. It lies in the inherent possibility of a dual mindedness of a public servant who receives a regular salary check from an outside party.

But it is equally clear that arrangements could be made to erect safeguards around particular types of arrangements which are made openly and publicly and with full understanding on all sides as to what is being done.

We already have the limited situation of persons working without compensation under special authorizations and safeguards: the so-called WOC. It is entirely conceivable that a limited class of technical or executive personnel could be created—those receiving compensation both from a former private employer and from the Government. I suppose that since everything in Government needs a name, what we could call these people receiving dual compensation would be called dukes or ducks, or something of that order.

They could operate under three-party contracts executed by the Government, the former employer, and the individual. The contract could establish specially tailored conflict-of-interest restraints far more pertinent to the particular case than the broad, general statutes. The contract could be published in the Federal Register for all to see.

I am not recommending this new category of employees, but I do wish to lend support to any efforts to explore this as a possibility. Our own special committee, in reaffirming the present ban against dual compensation, squarely recognized that it represents the single most significant deterrent to recruitment of certain kinds of personnel. While I cannot speak for my committee on this point, I could encour-

age inquiry into the three-party contract as a possible approach, although it may turn out not to be fruitful.

I would like to add one final comment on contracting out. Contracting out is an appealing concept. It is being used more and more, but let us not fool ourselves that it solves any conflict-of-interest problems. The conflict-of-interest problems are inherent in the situation when you install parties from the outside into a Government function. I am speaking now of the kinds of contracting out where a function might well be performed by Government employees but are being performed by outsiders. I am not thinking of the kind of contracting out used to obtain an independent review of what an agency is doing. I am thinking more of the situation which is so prevalent now in the defense field, where missile planning and other types of technical work are being done by private organizations but they are working hand in hand with the Government. You have a top officer of the Air Force working side by side with a top official of the private technical organization and you can't tell one apart from the other so far as their orientation, their duties, or their objectives are concerned. Indeed, the military man might not even wear a uniform.

So these two individuals are almost inseparable, and it is clear that in this situation, where rolls are blended, we are not escaping any conflict-of-interest problems by saying one individual is operating under a contract and the other is a Government employee. Even the one operating under the contract is performing a Government function.

One of the recommendations in our report, as embodied in our bill, is that the conflict of interest administrator should train his mind first to studying these contractual relationships from the viewpoint of what protections may be needed—that is, what protections may be needed to assure that the basic principles of conflict of interest aren't overlooked at the same time the formalities of the relationship with the outside party are by contract rather than by bringing him in as an employee.

This does not mean to say that contracting out is not a very helpful device to solve particular problems. I think it is. But I think we just shouldn't fool ourselves that it means that the conflict problems have been avoided. They have not. They are merely arising in a new form, and in a sense the kind of three-party contract with an employer, the individual employee and the Government would be perhaps a more frank and open approach to these conflicts. The conflict of interest restraints would be built right into the contract, saying what areas of activity the private employer would stay out of during the course of time that his employee is in Washington.

I have one very final note. I would like add support to the idea of a clearinghouse for jobs and potential personnel to fill them. This has nothing to do with conflict of interest, but I do, in my personal experience, constantly run up against people that think at one time or another, they might like to serve the Government. Contrariwise, while I was in Government I constantly received calls from people in Government who were looking for persons on the outside, and I still do receive calls from people in Government asking "Who can you suggest?"

Well, I find myself a most inadequate mental clearinghouse of my own. I can't remember who has asked me on the one side, or the jobs

that were going begging on the other. I think if there were a formalized, institutionalized method, conceivably under private auspices if not the Government, for keeping card files on people and jobs, it would be extremely helpful.

Thank you very much, Mr. Chairman.

Senator JACKSON. Thank you, Mr. Perkins. We are very grateful to you for your testimony this morning, and I personally want to express my appreciation in particular for the fine job you did in connection with the report on the problem of conflict of interest by the Association of the Bar of the City of New York. I think you have rendered great service to the country.

This is a subject that is a topic itself which is misleading because the conflict of interest statutes for the most part at the present time present conflicts rather than conflicts of interest.

Mr. PERKINS. That is right.

Senator JACKSON. And it is unfortunate that in the public mind the technical provisions in the conflict of interest statutes seem to take precedence over the tremendous problem that we have in Government today to get the right kind of talent at the right time and at the right place. I think this is one of the biggest problems that we face in getting top talent.

I want to say you are to be commended. There are a lot of questions I could ask, but I am going to defer them at this time. We will probably—I know we will want to have you down another time more on the basis of consultation than for further testimony, and after we get along in our study and get into specifics, I know that you can be of invaluable help to us.

I want to extend my appreciation to you.

Senator MUSKIE. I wanted to add my appreciation to, Mr. Perkins. I haven't had an opportunity to study the bill closely, so I would prefer to defer questions of my own. I would like to say I think the approach is a commonsense one and an enlightened one. I suspect that I may have questions with respect to its application when I have had an opportunity to study the legislation more closely.

Senator JACKSON. Any questions, Mr. Pendleton?

Mr. PENDLETON. No questions.

Senator JACKSON. Thank you again, and we will look forward to being in touch with you.

Mr. PERKINS. Thank you, Senator.

(Whereupon, at 12:45 p.m., the committee adjourned subject to the call of the Chair.)

REPORT OF THE NATIONAL
POLICE BOARD

TRANSMITTED
TO THE
SUBCOMMITTEE ON
NATIONAL POLICE MATTERS
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SETH CONGRESS

OFFICIAL DESIGNATION

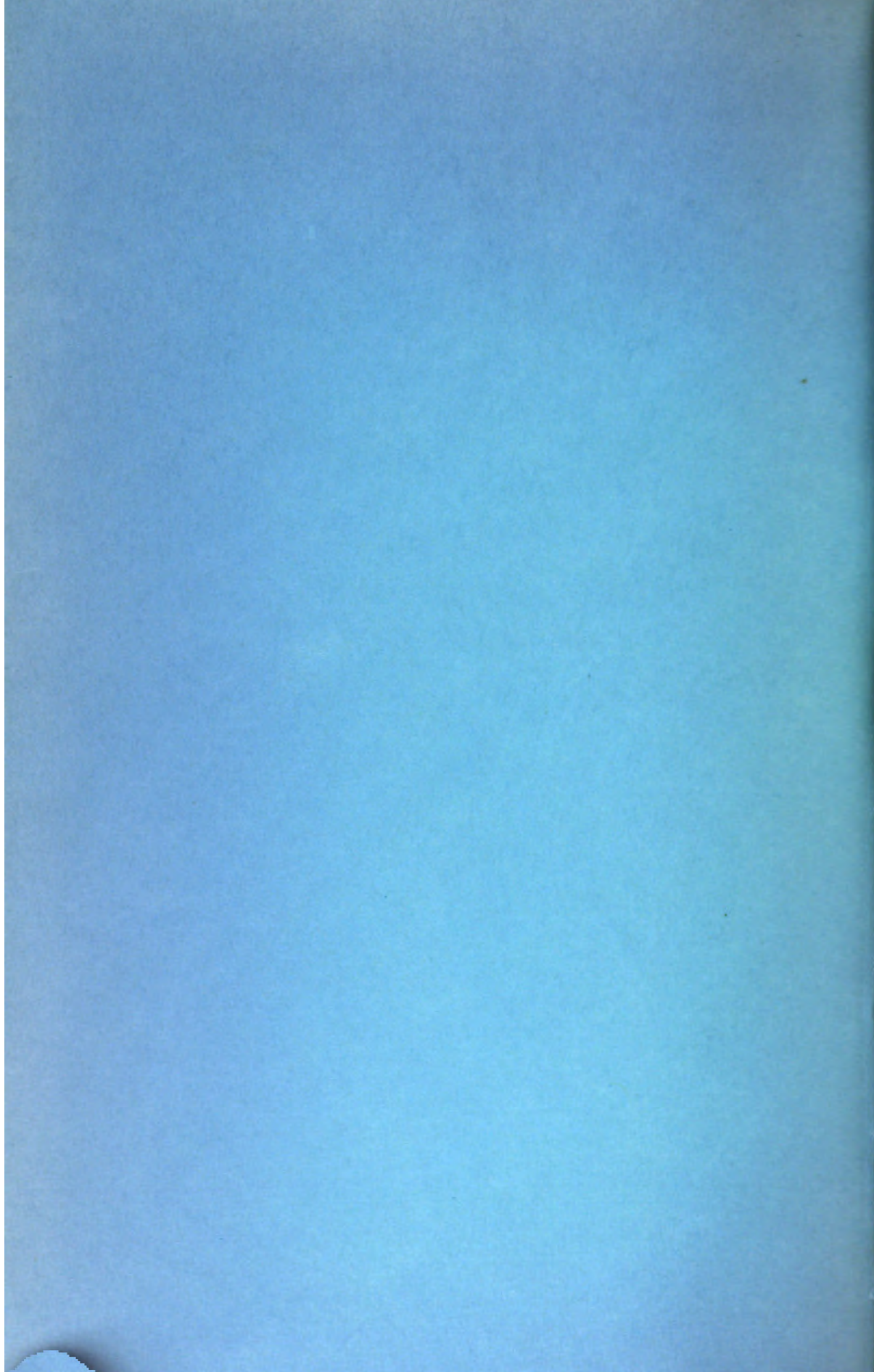
DATE OF REPORT

PART IV

PRINTED BY THE BUREAU OF THE GOVERNMENT PRINTING OFFICE

1947
1948

GOVERNMENT PRINTING OFFICE
WASHINGTON, D. C.
1947



✓

ORGANIZING FOR NATIONAL SECURITY

THE NATIONAL SECURITY COUNCIL

HEARINGS

BEFORE THE

SUBCOMMITTEE ON

NATIONAL POLICY MACHINERY

OF THE

COMMITTEE ON

GOVERNMENT OPERATIONS

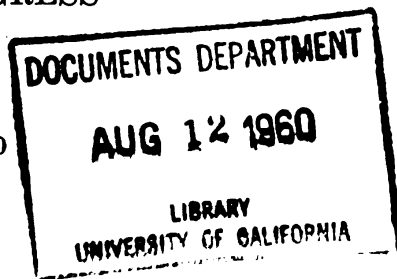
UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS

SECOND SESSION

MAY 10 AND 24, 1960

PART IV



Printed for the use of the Committee on Government Operations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1960

COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

SAM J. ERVIN, JR., North Carolina

HUBERT H. HUMPHREY, Minnesota

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

KARL E. MUNDT, South Dakota

CARL T. CURTIS, Nebraska

JACOB K. JAVITS, New York

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

EDMUND S. MUSKIE, Maine

KARL E. MUNDT, South Dakota

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

HOWARD E. HAUGERUD, *Professional Staff Member*

BREWSTER C. DENNY, *Professional Staff Member*

EDMUND E. PENDLETON, Jr., *Minority Counsel*

CONTENTS

MAY 10, 1960

	Page
Opening statement, Senator Henry M. Jackson.....	559
Testimony of Sidney W. Souers.....	560

MAY 24, 1960

Opening statement, Senator Henry M. Jackson.....	577
Testimony of Robert Cutler.....	577
Testimony of Dillon Anderson.....	608

THE NATIONAL SECURITY COUNCIL

TUESDAY, MAY 10, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

(These hearings were held in executive session and subsequently ordered made public by the chairman of the committee.)

The subcommittee met, pursuant to call, at 3 p.m. in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Mundt, Javits, and Muskie.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, and Howard E. Haugerud, professional staff members, and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council.

Senator JACKSON. The committee will come to order.

Our witness this afternoon is Adm. Sidney W. Souers, chairman and chief executive officer of the General American Life Insurance Co., St. Louis, Mo.

Admiral Souers has combined a long and successful business career with noted service to his country. He received the Legion of Merit and the Distinguished Service Medal for his contributions during World War II. In 1946 he became Director of Central Intelligence under the National Intelligence Authority. This organization was set up by Executive order. Admiral Souers, I believe, held that position until the first statutory Director of Central Intelligence was selected, who was Gen. Hoyt Vandenberg.

He was the first Executive Secretary of the National Security Council from 1947 to 1950. Following that, he served as a special consultant to the President on foreign and military policies until January 1953.

Admiral Souers is eminently qualified to testify regarding the National Security Council, and we are delighted to have him with us today.

I should note at this point that the subcommittee has agreed with the President that testimony "by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session." I understand you are familiar with the guidelines, Admiral Souers?

Admiral SOUERS. I am.

Senator JACKSON. In addition, you have received copies of the same in connection with a letter that I sent to you some time ago on the subject?

Admiral SOUERS. That is correct.

Senator JACKSON. Do you have an opening statement, Admiral?

Admiral SOUERS. I jotted down some points which occurred to me as being ones that I would like to have in the record.

Senator JACKSON. You may proceed in your own way. When you are through, we will ask questions.

STATEMENT OF ADM. SIDNEY W. SOUERS, CHAIRMAN AND CHIEF EXECUTIVE OFFICER, GENERAL AMERICAN LIFE INSURANCE CO.

Admiral SOUERS. Mr. Chairman and members of the committee, your invitation to me to appear here today to give my views on "how can the National Security Council best function as an advisory mechanism to the President" is appreciated.

I fully understand the sensitivity of the subject under consideration and will attempt to confine my remarks to the limits agreed to between your committee and President Eisenhower.

When the National Security Council was brought into being by statute in 1947, I was appointed Executive Secretary and served in that capacity until 1950. At that time, my assistant, Mr. James Lay, succeeded me as Executive Secretary, and I was appointed special consultant to the President on national security matters. I continued in this capacity until January 1953.

Mr. Lay is a loyal and devoted public servant who was selected because it was felt that he would be acceptable to subsequent administrations and would provide continuity in the staff work, which is so desirable.

My comments today are based solely on my own experience, and since I am not acquainted with present operations of the Council, my observations should not be considered as critical of anything that is being done today.

I would like to make that very clear.

The National Security Council was a new mechanism injected into our governmental structure. Much consideration was given to how it would perform the functions for which it was designed, without diminishing the authority or responsibility of the principal Cabinet members. Its main purpose was to serve as a means by which the President would receive advice coordinated in depth from his Cabinet members having primary responsibility under him for national security.

Care had to be taken to prevent it from becoming a decisionmaking agency in the foreign field. The President is solely responsible for such decisions under our Constitution.

We studied carefully the setup and history of a similar organization originally known as the Imperial Defense Council, which was established in Great Britain in 1908, and undertook to benefit from the growing pains experienced by it during its early days.

I would now like to set forth briefly a number of principles which in my opinion must be observed if the National Security Council is

to function most effectively as an advisory mechanism to the President. I will, of course, be pleased to develop these points further at the end of my statement if the subcommittee so desires.

First, in the National Security Council, of the Cabinet officers participating, the Secretary of State must inescapably be "first among equals" in foreign policy considerations. It is right and proper that the viewpoints of the Department of Defense and other departments and agencies concerned with the national security should be known through the NSC to the President. Yet the Secretary of State, as the President's principal adviser on foreign policy, must bear the main burden of helping the President define our political objectives in the world and initiating and developing policies for achieving them.

Second, the military also has an important role to play in the National Security Council. Its responsibility is to make plain the military implications of a desired policy, and to be prepared at all times to carry out commitments arising from political decisions. But it is not the responsibility of the military to determine foreign policy.

Third, the National Security Council, in my opinion, works best when it concentrates on a limited number of primary issues affecting national security. It is necessary at all times to guard against the tendency to burden the Council with lesser problems not properly in its province—operating matters which should be solved through interdepartmental coordinating committees rather than through the NSC.

Fourth, it is necessary to limit the attendance at NSC meetings to those directly and immediately concerned with the problem at hand. I found that when, through laxness, the number of participants was increased—say beyond 9 or 10—the benefits to the President were reduced proportionately. Cabinet members, in my experience, were reluctant to express their views frankly, and to engage in meaningful debate, in the presence of a large audience. The National Security Council was not intended to be, and must not become, a "town meeting."

Fifth, in the NSC it is important to measure the cost of national security policies in terms of necessary manpower, resources, and money—but budgetary considerations should not themselves be the determinants of policy.

Sixth, a strong Policy Planning Staff in the State Department is one prerequisite of an effectively functioning National Security Council. I say this because of my conviction, expressed earlier, that the main burden of initiating imaginative policies in the national security field must fall upon the Department of State. I would add here that the problem of achieving coordinated positions within the departments themselves rivals in difficulty the problem of achieving coordination in the National Security Council.

Seventh, staff assistance cannot be expected to substitute for vigorous personal participation in National Security Council problems by Cabinet members themselves. These officers are charged with the responsibility of advising the President with respect to foreign and military policy. Although these officers are beset by many problems, nothing should prevent them from assuming the primary responsibility of advising the President in their respective fields.

Some of these statements are almost truisms, but they do play a very important part in making the mechanism effective.

Senator JACKSON. Admiral, may we express our appreciation to you for your very thoughtful and helpful comments concerning the National Security Council.

What is your attitude toward the participation by the Bureau of the Budget in the NSC, or representatives of the Bureau of the Budget in the NSC?

Admiral SOUERS. I took a strong position in recommending to the President that they be represented at the Senior Staff level. I think it is now known as the Planning Board. That was so that the budgetary considerations should be considered at that level, but not regularly in the Council itself, except on a case-by-case basis when primarily budgetary or management matters are considered. They are really not policymakers. In my opinion they should not be. They are a staff arm of the President, and the President should determine what national policy, domestic or foreign, should be, and the budget should conform.

Senator JACKSON. In other words, your idea is that the NSC should measure the requirements, determine what they are, and then ascertain the resources needed to fulfill these requirements, and this is a responsibility of the President as well. The Bureau of the Budget comes in afterward when a sane and sensible decision has been made as to what really should be done in the area of national security.

Admiral SOUERS. That is correct.

Senator JACKSON. I was interested in your reference to the British Imperial Defense Council established in Britain in 1908. Did you find that their experience was helpful in connection with the setting up of the NSC?

Admiral SOUERS. Yes we did, in 1945. While I was on active duty, I was designated by Mr. Forrestal, Secretary of the Navy, as a member of the Eberstadt Committee for the purpose of covering the intelligence chapter. We were studying the Imperial Defense Council mechanism at that time. It served a very admirable purpose over there, and even though it had many rough times, and some British administrations fought it, it was able to survive the Liberals and Conservatives as they came and went.

One man, the Executive Secretary, Lord Hankey, started in as a major in the Marines. He stayed there from 1908 until the end of the Second World War. So he provided the continuity. He was very careful to try to get coordinated advice for the Prime Minister, and tried never to take a strong position of his own.

In other words, he might tell the Prime Minister, "I can't get this Cabinet Minister to perform," and suggest that he get after him.

Senator JACKSON. His job was to see that the issues were properly presented and the machinery worked?

Admiral SOUERS. That is right, that all viewpoints were brought to the Prime Minister.

He was succeeded after the Second World War by Lord Ismay. We had quite a visit with him over here. We explained our mechanism. He thought we had improved on their setup. They used nothing but ad hoc committees over there, and we had the stability of the Senior Staff as a permanent working committee. But we set up ad hoc committees in certain situations in which technical matters were involved. If we had a subcommittee we would call upon the head of

the two or three departments involved to furnish technical staff to sit with us, to prepare a draft that would coordinate their viewpoints so it could be submitted to the Council for consideration and the President for decision.

They thought that our use of both a permanent working committee and ad hoc committees as well as our permanent staff would achieve better results.

Senator JACKSON. But you drew heavily on the experience of the British?

Admiral SOUERS. We drew heavily on their experience.

Senator JACKSON. They had good experience and bad experience and you were able to profit from that experience.

Admiral SOUERS. That is correct.

Senator JACKSON. I have one or two other questions and then I will desist so that my colleagues can ask a few questions.

Do you believe that the NSC papers, as such, should normally be prepared by the Department of State?

Admiral SOUERS. The way we functioned before will indicate how I thought it should be done. If the Secretary of Defense wanted guidance as to what our policy was in a certain foreign situation so that he would know how to plan in the Defense Department, he would write a letter to the Secretary of the Council, who would send a copy of that to the Secretary of State and request him to come up with a draft paper for consideration by the Senior Staff.

By and large I found that it was necessary, or certainly most desirable, to have the State Department initiate the draft outlining some policy they wished to adopt. They are the ones who should take the lead. When they would do that, then we would go into the Senior Staff to get the military implications, and if you please, even the resources implications. We found that we had a far better paper if only one department prepared the first draft than if all three tried to draft it together.

State would get good results by having the head of their planning staff consult one or more from the Defense Department just to help guide him as he was drawing up his paper. It would not be Department of Defense policy, actually, but it would provide the viewpoint of a military man.

Senator JACKSON. This is all prior to a departmental position?

Admiral SOUERS. All prior to that. They had the right to consultation. So when their paper came over it was not impractical from a military standpoint. Exceptions might be taken to the paper by the Defense Department as such or by the Army or Navy, or the Air Force. But at least it would get in what I thought was the important thing, the policy desired by the Secretary of State. Before it was recommended to the President of the United States for action it was coordinated to obtain the military and other implications. If they were all agreed, it was simple.

Senator JACKSON. It is at the level where the Secretary of State has an opportunity to have it submitted to the key heads of departments within the NSC?

Admiral SOUERS. That is right.

Senator JACKSON. And it is the debate that comes out of this, the sharpness of debate, and the alternatives that are presented, that pre-

sents the kind of helpful assist that the President needs in making his necessary constitutional decisions.

Admiral SOUERS. That is correct.

Senator JACKSON. I take it in general you pretty much agree with Mr. Lovett and Dr. Perkins' philosophy, which they have expressed in their presentation, namely, that the Council should be small, that the issues should be the critical or key issues, as distinguished from collateral or relatively unimportant issues, and that there should be sharp alternatives presented with debate.

Admiral SOUERS. That is right.

Senator JACKSON. I am summarizing in a general way the testimony of Mr. Lovett and Dr. James Perkins, vice president of Carnegie. You, in general, agree with that?

Admiral SOUERS. Yes, I do, especially as regards Mr. Lovett's testimony which I have read.

Frankly, Mr. Lovett and I helped develop our concept from the beginning, so we arrived at our opinion as to the best method by trial and error based on our experience from the beginning.

Senator JACKSON. I take it that you more or less feel that in the operation of the NSC, in this broad national security area, the Secretary of State should be more or less the orchestra leader?

Admiral SOUERS. He should be.

Senator JACKSON. That is in considering the formulation of policy for the President's consideration.

Admiral SOUERS. He must be. After all, the Secretary of State is usually selected by a President because of his past record or experience in foreign policy matters. The Secretary of Defense is usually a good executive who knows how to run a big business, and it is a different type of selection for the military departments.

Senator JACKSON. In that same connection would you not think it a reasonable proposal that the Secretary of State be called upon to justify the defense budget, that is, to appear before Congress? I do not mean a justification in detail, but with respect to its overall requirements. Would this be an unreasonable request?

Admiral SOUERS. The Secretary of State should have a voice, I think, in passing upon the size and character of the force in being rather than the dollars involved and the cost.

Senator JACKSON. From a functional standpoint?

Admiral SOUERS. From a functional standpoint. In other words, if we adopt a foreign policy, it implies certain commitments which have to be assumed by the military, and you have to make estimates as to the size of the force necessary to carry out that commitment. Then the pricing is done by technicians in that field.

Whether the Secretary of State should pass upon the dollars or not, I am not prepared to say. He really has no way of knowing.

Senator JACKSON. In terms of the implications for our national posture, he certainly should be called upon to express his opinion.

Admiral SOUERS. That is right.

Senator JACKSON. If the Secretary of State is going to be effective at the bargaining table, and this is where the cold war may be resolved, through a series of meetings or conferences, the Secretary of State certainly must be able to back up his negotiating position with adequate power.

Admiral SOUERS. That is right, with an adequate posture.

Senator JACKSON. Mr. Churchill once expressed it in the phrase "We arm to parley."

Senator JAVITS. I just have two questions. I had a few others, but Senator Mundt will ask those.

There are two things that disturb me. To what extent should we call into the National Security Council not only the technicians when you have a highly professional subject, as you said, but the best brains in the country, when you get into a problem such as "How do you handle an incident publicly?"

The NSC, I assume, talks about it. But the question is when do you call in also the best brains in the land, whether it is a matter of public relations with David Sarnoff, who doesn't work for the Government, or somebody else, and when do you not? Has that at any time ever really come up as a problem?

Admiral SOUERS. There have been many discussions of whether we should bring in outside experts, as experts, well informed people of stature, who are not in the Government, to give advice, to freshen up the advice which is coming in. There was some talk about having Cabinet members without portfolio to do that because the Secretaries were too occupied with their departments.

I found that State was able to supply some of that by bringing in outside talents, highly qualified people, to assist them in their policy planning staff in drawing up a desired policy statement.

There were times when we used to bring in the President's advisers on domestic matters, if something would have a repercussion domestically, because I did not profess to be cognizant in that field.

Senator JACKSON. They called in consultants from time to time. I assume this is what Senator Javits had in mind. I believe this is being continued.

Admiral SOUERS. When I was there I opposed having advisers to the President apart from the Council, because that could easily cause a conflict between the President's outside adviser and his Secretary of State, if the advice was contrary and he decided with the adviser. But the advisers can be brought into the Council. The staff or planning board is only their work team, as I see it. But even though the outside adviser came into the Council, itself directly, there was no reason why they could not also discuss matters at the Planning Board level.

I would make that distinct difference, that they should not be between the Cabinet members and the President, but they should be advisers to the Council, which consists of the President and them. If the Council members want to use their staff or planning board to help whip the papers into shape or coordinate at that level, I see no objection to that.

Mr. JAVITS. One other question: Do you think that the National Security Council ought to have any independent entity so that, for example, they could, as an entity, as a council, make some statement or report to the Congress or to the people?

Or do you feel that it is strictly a staff agency of the President?

Admiral SOUERS. The way it is set up by statute it is purely advisory to the President. He should make any statements called for to the Congress or the public.

Senator JAVITS. Coming back to the consultant proposition, if the NSC involves a debate between varying points of view, isn't it extremely important that the best brains in the country, when the issue is important enough, be right in on that debate, right there in the Council?

Admiral SOUERS. It isn't quite clear to me in what capacity they would be there. The real difference occurs when State wants to do something and the military, for some reason or other feels that it is not advantageous from a military standpoint. So you have the conflict of political-military viewpoints. It would be pretty hard for any outsider to contribute much. It is pretty hard to have an outsider give advice contrary to a Cabinet member who is responsible to the President for the conduct of his departmental affairs.

Senator JAVITS. So you have felt that that kind of advice ought to come up through the Cabinet officer, getting it in his own department, rather than to be present at the Council.

Admiral SOUERS. That is correct unless the Council itself has consultants.

Senator JAVITS. Suppose that advice is never made available to the President? Suppose the Cabinet officer does not like the advice, or he doesn't agree with it or rejects it? In other words, what can we do to get the best brains of the country advising the country in the course of the dynamics of a decision, which is the debate between A, B, C, and D?

Admiral SOUERS. I would like to think that the Cabinet member would see that the President had available to him the assistance necessary to make a decision.

Senator JAVITS. But suppose they don't bring it up? Suppose I am the Secretary of State and I get a terrific idea from a fellow with the best mind in America, Bernard Baruch, for example, and I do not bring it up, I reject it. How does the President ever get that?

Admiral SOUERS. He will not get it. Whether it is desirable to get it is another matter. He should have more confidence in his Secretary of State than anybody else in the world to advise him on foreign policy.

Senator JAVITS. He should be ready to stand or fall on that?

Admiral SOUERS. I think so, getting into the thing himself to a sufficient extent to be sure he has had all facets of the problem properly presented to him.

Senator JAVITS. And the only debate he ought to hear is between the Secretary of State and the Secretary of Defense, or other Secretaries, as the case may be?

Admiral SOUERS. Yes, but I think the President should be consistently assisted by his Special Assistant who keeps in close touch with the departments as they are developing their policy views. This permits the staff assistant to be sure the President is fully informed of differing viewpoints.

Senator JAVITS. So you conceive of a National Security Council as an intergovernmental piece of machinery, not as the best brains piece of machinery?

Admiral SOUERS. I wouldn't want to admit that the President would not pick the best brains for his Secretary of State and his Secretary of Defense.

Senator JAVITS. He might not be able to get them.

Admiral SOUERS. He either will get them or he will get men who will be qualified in the field sufficiently to be able to find the brains. Of course they cannot do it all themselves, but they are certainly diligent officeholders, we assume. They have ways of bringing in all sorts of highly qualified ideas. They have had them in the past.

Senator JAVITS. But those ideas are to move through them to the President. He does not have the access to those ideas under this plan. They have the access. If they choose to convert them into a recommendation or a presentation to the President, they do. If they choose not to, they don't.

Admiral SOUERS. I expect to a considerable extent, sir, that is exactly what takes places unless the NSC has its own consultants.

Senator JAVITS. That is right.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Admiral, does the National Security Council in your experience deal strictly with broad goals or does it deal with strategy or get down to tactics?

Admiral SOUERS. In my opinion it should confine itself to broad, strategic national planning at the national level. State is expected to be doing its operational planning to carry out the broad program. The Defense Department has its planners that adapt its plans to the overall strategy. But the basic work of the Council should be confined to the broad, national strategic planning.

Senator MUSKIE. So it is not an operational agency in any sense of the word?

Admiral SOUERS. It shouldn't be. There should be interdepartmental committees to do the coordinating on operational matters within the framework of the overall policy.

Senator MUSKIE. Operational matters may develop problems which are the seeds for future policy.

Admiral SOUERS. Or it might even suggest some change in the top level policy. If that is so, it should come back up, and if there was any need for changing, it would come back.

Senator JACKSON. It should be pointed out, perhaps, at this point that the OCB, the Operations Coordinating Board, is the entity set up back in 1953, I believe it was, to help implement decisions made by the NSC.

You would say, would you not, that part of the NSC function would be to contemplate what might happen in critical situations, and what the remedy might be, and what our position would be?

Admiral SOUERS. That is correct.

Senator JACKSON. That is, in those situations that have tremendous international impact.

Admiral SOUERS. That is correct.

Senator MUSKIE. NSC is primarily a think agency?

Admiral SOUERS. It should be.

Senator MUSKIE. Do you think that the method for bringing the thinking subjects to its attention is adequate?

Let me put it another way. The word "security" is almost as broad as all areas of governmental activity, if you want to so interpret it today. How broadly was it interpreted when you were associated with it?

Admiral SOUERS. Our feeling was it was primarily to coordinate the foreign policy planning function with the military implications and with the resources implications through the use of the National Security Resources Board and the CIA. State wanted to do something. Instead of going off on their own without considering the military effect of such a plan, they at least have to run the gamut there. Actually, if the Defense Department said "That is a fine policy but we couldn't think of carrying it out without having mobilization; we need 3 million men in the services," then you have to figure the budgetary, the resources, the requirements for that.

So the primary thing is that foreign policy has to do primarily with the work of State and Defense, with the others as subordinate.

Senator MUSKIE. So you are not concerned particularly with the utilization or development of natural resources, we will say.

Admiral SOUERS. Yes, they are, because the Council has on it a member—it used to be—from the National Security Resources Board, the Chairman of the National Security Resources Board. He was a member.

Senator MUSKIE. The Council is not concerned with the impact of education, for example, on our long-range security.

Admiral SOUERS. Well, it was not in my day.

Senator MUSKIE. It was primarily concerned with the immediate problems of defense and foreign policy.

Admiral SOUERS. That is right.

In other words, you take into account the resources, and the Secretary of the Treasury has always sat in, though he was not a statutory member, the theory being that he has to finance whatever was done.

Senator MUSKIE. How close is the Security Council to the developing of the thinking of the Department of Defense relative to new weapons technology, for example?

How soon after an idea develops in the Department of Defense does it rise to a level where it comes to the attention of the National Security Council?

Admiral SOUERS. I am afraid I couldn't answer that because many of these later discussions have developed since I was there. The only one we were concerned with during my period was the atomic and the hydrogen weapons.

Senator MUSKIE. How about missiles?

Senator JACKSON. At this point, I would like to make a comment that we can not get into substantive matters. I think it is proper to say that important weapons systems were considered, were they not, at the time you were with the NSC?

Admiral SOUERS. Yes.

Senator JACKSON. And it can be said that this continues to be an important role of the NSC or one of the important roles. I am saying this so we do not get into any specific weapons systems.

Senator MUSKIE. I was only interested insofar as it suggests the kind of organization we have available to bring ideas to the top policy-making level.

Senator JACKSON. May I make this observation to be helpful: The question of the overriding priority given to the intercontinental ballistic missile did come before the National Security Council. That has been in the newspapers.

Admiral SOUERS. I have read that, but I don't know it firsthand. I am not undertaking to comment on things that I only learned from the newspapers subsequently.

Senator MUSKIE. I am being a little vague in making the points I want to make. But with the development of each year's defense budget, for example, this is the product, I assume, of the thinking that has been developing in the Defense Department, in the Army, in the Navy, in the Air Force, relative to what we ought to be spending our money for in the next year in terms of our reasonably long-range military objectives.

To what extent is the Security Council exposed to this thinking that goes into the development of the Defense Department budget?

Admiral SOUERS. We were getting into that to a considerable extent before I left the Government. It was not easy to work up, but we were making progress. The basic plans for the military were considered. I would say there was a reasonable amount of give and take in the discussions.

Senator MUSKIE. To the same extent that the Budget Bureau is exposed to details of the Defense Department plans?

Admiral SOUERS. We always looked upon the Budget as the President's arm for assisting him in carrying out his fiscal and budgetary policy. We represented the arm that had to do with fixing the broader policy. If he approved a policy for the Council, which came through the Council, his arm, the Director of the Budget, had to follow it. Budget did not make the policy.

Senator MUSKIE. Did the Budget Bureau make its decision relative to how much money the Defense Department could have before or after the National Security Council made its decision relative to its recommendation to the President?

Admiral SOUERS. That is a very delicate subject. Mr. Forrestal's memoirs show his concern with the \$15 billion budget in 1948-49 I believe it was. The assumption was that the Budget Bureau fixed the amount and we had to plan our defense to suit it. Actually, the President made that figure. He named the figure and he stuck to the figure. I do not believe the Director of the Budget could have changed his mind no matter how hard he tried. It was studied in the Council.

Senator MUSKIE. Did the President listen to the Council's recommendations before he made up his mind? Which one did he listen to last?

Admiral SOUERS. It is pretty hard to delve into the mind of a President.

Senator MUSKIE. But you know with whom he met before he made these decisions.

Admiral SOUERS. He made it after he was given the amount of force in being that he could achieve for different price tags. And he determined that the price tag of \$15 billion would purchase the amount necessary to carry out his foreign policy. I think that would be about as fair a representation of what he did. Whether he reasoned it out in that manner or not, I don't know. But I do know that the military showed what they could do with differing amounts.

Senator MUSKIE. Was the National Security Council influenced such that the judgment of the Defense Department was ever changed relative to priorities that ought to be given to different weapons sys-

tems, or given recommendations with respect to the size of the armed forces, manpower, and so on? Or did the Security Council operate to more or less rubberstamp the judgments of the Defense Department in this area?

Admiral SOUERS. No, I would say the President may have weighed heavily the advice he got from the Director of the Budget, but he also got advice from the Council. He arrived at what the amount should be and that is the amount it was.

Senator MUSKIE. Let me ask it this way: If I trespass into the area of substance, I stand to be corrected. For example, there is a considerable controversy now as to whether or not we are giving sufficient priority to the development of missiles, or to the manufacture of missiles of current types, or to the Polaris submarines and so on. Ignoring the merits of these arguments now, would the National Security Council as it was operated in your day have any part to play in resolving the questions that are raised by this controversy?

Admiral SOUERS. I should think it would have. I cannot certify it would because we didn't have that problem.

Senator MUSKIE. Would its influence have been such as to actually shape the direction in which the policy decision was finally made?

Admiral SOUERS. I think it would. It would be brought to play on the President who might use the Budget as his instrument because they have men in every department who have been there for years. He might easily weigh their advice and find it more in keeping with his desires than State's or anyone else. I would expect the same thing would hold now, that this President would think he had a pretty good idea of what the military requirements would be under certain circumstances, and I have a hunch he would take all the advice and then decide what he wanted to do. He might make that known through the Budget.

Senator MUSKIE. Would you say that the Secretary of State might very well influence the President to accept a decision as to military priorities which was contrary to the decision of Defense in that same area? That is, the Defense Department.

Admiral SOUERS. I should think it would have some effect. It is hard to know what finally influences the President. He could easily be influenced by his Treasury Secretary, if he had great respect for him, after weighing the monetary implications of a course of action. I am sure it would have some effect on him.

As I read the paper, I am sure it has some effect even in recent years. All I know is what I read in the press.

Senator MUSKIE. I have asked some of these questions particularly because of the first principle which you set out in your list of seven that ought to apply to the National Security Council. You say that the Secretary of State must inescapably be first among equals.

Admiral SOUERS. In proposing foreign policy.

Senator MUSKIE. Not with respect to military policy?

Admiral SOUERS. No. I think he is not expert in that. I would hate to think that the Secretary of State determines, as the primary adviser, the military policy. It seems to me that State should be prepared to recommend to the President the policy that it thinks is capable of achieving the greatest results in the cold war. The military will show the implications of that course, if adopted, and what

it will take to back it up. They will finally say what force it will take, and then it will be a question of pricing it. It will be a question of deciding which of these weapons will give us the greatest benefit for the least money, I suppose.

Then after all that is brought to play, the President would say, after full consideration of all these discussions, "This is the policy we should adopt." Then the military would proceed with their planning to carry out this basic national policy. It then becomes the President's national policy. By that time it has probably been through the Senate Foreign Relations Committee and so forth. Then it becomes our policy and the military and the other people carry out their responsibilities in implementing it. It seems to me that is about as precise as I can state it.

Senator MUSKIE. What influence does the Security Council have on foreign policy? We will put it the other way.

Admiral SOUERS. The Council itself is purely the mechanism by which all facets of a national security policy are delved into and presented to the President, who makes the decision.

Senator MUSKIE. So their function is to say whether or not the Secretary of State's foreign policy as presented by him is good or bad, they approve or disapprove?

Admiral SOUERS. No, that is not my understanding of it.

Senator MUNDT. It would be better to say whether it is supportable by our defense posture.

Admiral SOUERS. That is right.

Remember, every foreign policy has to have a military policy that fits it. Otherwise, we get ourselves all extended without any means of carrying out the policy. So it is their purpose to say "This is what it means if we go ahead with that foreign policy. These are the military implications."

Senator MUSKIE. So you don't try to change the foreign policy, but try to assure that the military policy——

Admiral SOUERS. They may agree that this is all right and we can back it up with so and so and so, and it goes to the President without any controversy. They may say "If you do this, Mr. President, you are going to have to draft X number of people, and you are going to have to raise this, raise that." When he considers this foreign policy, he debates in his own mind, "Is it worth it? Maybe we ought to have another one."

Then they will go back and try another plan. But State is still the foreign policy adviser to the President, and his Department implements it. The military and others are only brought in to be sure the President who is responsible under our Constitution for making that decision has all the facts. We tried to give all the facts and viewpoints to him as best we could. Sometimes it was difficult. That is not only at the Secretary's level but further down in the Department, where careerists might be more cognizant; in other words, to help him get or achieve a coordination in depth. It is purely an instrument to help the President make these tremendous decisions he has to make with a systematized method or organization to get him all the facts in a consistent manner and to hear any debate if there are differences.

Senator MUSKIE. It is more a coordinating agency, then, than a planning agency?

Admiral SOUERS. Well, actually I look upon it more as a coordinating agency, to assist the President in weighing all factors that go into making a foreign policy decision.

Senator MUSKIE. Thank you, Admiral.

I have taken more time than I wanted to.

Admiral SOUERS. It is a very difficult subject because of the many ideas of how our Government runs. In our early days we had some members of the Government who felt that as Executive Secretary, NSC, I should be the Director, that I should say what the policy should be. But that would be a different form of government. The Congress did not contemplate that, I am sure. They would have called him a Director instead of an Executive Secretary. We tried to limit the staff to the knowledgeable people. I think it is serving a purpose. You never can tell from one time to another whether it is doing its best, but it is the best you can do in the good democratic government we have.

Senator MUSKIE. I do not know to what extent I am representative of public reaction to the National Security Council, but it would have been my impression that planning had a greater part of the Council's function than it apparently does, planning for national security.

Admiral SOUERS. Well, it does. They debate the papers. I would assume they still do it pretty much that way. The State comes up with a paper on a certain policy matter. It comes in to the Planning Board. The Planning Board debates these various elements. They will have a representative of the Joint Chiefs, I presume—we did—they will have the Secretary of Defense representatives and these other representatives, and they will thoroughly discuss a problem. Then they have a working staff that will redraft after discussion. By having the Planning Board—we called it the senior staff, and I presume they function pretty much the same way now although they have a different name—there are individuals knowledgeable of the viewpoints of their respective activities, departments or agencies. So you are bringing it all to play there around the table. The desirable way is to have a deputy to each Cabinet member on the Planning Board who has enough time to engage in the thinking, exchange of views and the deliberation which is needed for planning. That would be a desirable way. We came near to accomplishing that by having representatives on the senior staff who at all times had access to and confidence of the members of the Council.

In other words, each Council member would have a representative to assist him to develop policy. He would be on the senior staff. Whenever we had that arrangement where the man really had the confidence of his Secretary, these men debating among themselves could accomplish a great deal without ever surrendering the sovereignty of a department.

Nevertheless, they developed a broader viewpoint sitting together. Yet they would go back and tie in with their departments.

Wherever we could have the Secretary himself following the planning, with his staff representative, plus his planning staff, we had pretty good results. It would be only if they downgraded the senior staff, and then the member was not really representing his Secretary at all, that we had difficulty.

Senator MUSKIE. Thank you.

Senator JACKSON. Senator Mundt.

Senator MUNDT. I think we shouldn't try to divide the function of the NSC into the either/or coordinating or planning. As I envision it, it is both a planning and coordinating board. A plan is pretty useless if it is not coordinated. There is no use in coordinating something unless you have a plan. So as I envision it, it is both. I am interested in how the President, the busy man that he is, gets all this information. These are pretty prodigious decisions. I imagine the debate goes on for some length of time. In your experience, did the President preside at these meetings himself or did he get his information through some deputy or assistant or Secretary, perhaps you, who would preside and then relay it to him?

Admiral SOUERS. In the early days, we thought perhaps we would have freer discussions between the Cabinet members if the President did not preside. In other words, we wanted to be sure that the debate would not be cut off by the President saying, "I want to do so and so," and that would end it. In that case, it would be the Secretary of State presiding by designation from the President. Primarily we met in the Cabinet room of the White House, and the paper, if we agreed or modified it, I would submit to the President the next morning. But in all those cases the President controlled the agenda completely and the individuals who could attend. We kept fighting always to hold the number of members down, which is very difficult. Everybody wants to attend.

After the senior staff had completed its paper, I would send it out to the members of the Council by stating that the senior staff had prepared NSC so and so, which would be considered at the meeting on such and such a date. I would at that time, the very next morning, submit a copy to the President, and we would discuss it. I would give him the benefit, as best I could, of the views of the military, the views of State, and their reasons for their views, so that he would have a little background on the paper. He was then just as familiar with one of those papers as the other members were.

Starting in 1950 the President presided at practically all meetings but he was careful not to state his position. He called on everyone for his individual views.

Senator JACKSON. The President attended most of these?

Admiral SOUERS. He did, from 1950 on. He attended practically all of them. Prior to that we tried to experiment this other way. We thought we could have a freer discussion, perhaps, and then we would submit the paper. But he was almost ready to pass on the paper by the time it was submitted to him for signature. Even though he sat as chairman we urged him never to approve a paper until the next day. So if anything else arose and he wanted to make any comments or modify it in any way, he could do it.

Senator MUNDT. At the Council meetings did you vote or have a show of hands? How did you arrive at the substance of opinion?

Admiral SOUERS. No; we did not. He simply heard the viewpoints of each. We would have some pretty heated discussions. I always felt it was most productive when we did have.

Senator MUNDT. In other words, it is the President's decision. He never asked "How many of you fellows feel this way?" But it was just from the results?

Admiral SOUERS. The decision was never made by vote. He wanted to know all the facts in the case. My sole job, I felt, was to be sure he got the best that we could get out of the brains he had in his Government. If he appointed Secretaries and Assistant Secretaries and they had planning staffs, all I could do was to try to see that he received the best that was in them. It was not my view. I didn't try to prevail.

Senator MUNDT. Since this is really the President's decision and he seeks this information, it would seem to me that each President would sort of tailor this NSC to fit his own needs, his mode of operations. Some President may feel he is pretty hep on foreign policy and weak on national defense. Perhaps Mr. Eisenhower feels he is pretty good on national defense, he has spent his life on it, but he might be pretty weak in some other aspect. I suspect they rather tailor that to be sure that they are shored up in those areas where they may feel a little less certain.

Admiral SOUERS. I expect that is right. It will be used in different ways by different Presidents over the years.

Senator MUNDT. Then it probably should be kept that way rather than legislated into any fixed form.

Admiral SOUERS. I think it is well to have the statute provide an agency like the NSC, because we should not let it get lost as you shift and change administrations. But I think the statutory members should be limited to the number you now have. The President could take advice from anybody he pleases, so you can't stop him from putting others on or asking them to sit. If you told him they could not sit, he could call them in on the side and take their advice instead of the Council.

Senator JACKSON. I doubt whether that would be constitutional anyway.

Admiral SOUERS. You cannot force the President.

Senator JACKSON. If the statute made no provision, I think he can ask anybody for advice.

Senator MUNDT. The Constitution fixes that responsibility on him.

Senator JACKSON. His constitutional power as Commander in Chief and President of the United States.

Senator MUNDT. Were records of minutes kept at that time, or was it informal?

Admiral SOUERS. I don't know what they are keeping now. All actions taken, of course, are recorded, numbered and circulated, and the reasons for the actions are in the files of the National Security Council.

Senator MUNDT. What I am getting at is if some future historian a hundred years from now could go back and say, "Cabinet Officer so and so said so and so," or as they do here, with a reporter making a record.

Admiral SOUERS. No, we did not have a stenographer present, because we didn't want a man to feel inhibited from giving his frank viewpoint for fear someone would say "That fellow was for something," unpatriotic or something else in the light of later events. We had some of that in the past where one Cabinet member did keep minutes of Cabinet meetings and he would say how the various members stood on certain subjects. We tried to get away from it. There

have never been any minutes of the discussions sent around to anybody but only of a record of actions taken.

Senator MUNDT. In your experience, were the recommendations usually nearly unanimous? In other words, would they hammer out the idea with concessions to one point of view and another, until there was a pretty general agreement by art of compromise, or would ultimately the President have to decide between two pretty determined points of view, where one Cabinet or one position might be one way and the other the other, and pretty unyielding?

Admiral SOUERS. We did not try to force a compromise. We wanted to be sure, if there were dissents, that they were clearly stated so that the President would understand any different viewpoints, and would be able to reach a sound decision himself. There were several occasions, when we wanted to get ideas across to the President, that we would enumerate different possible courses of action, show where each might lead and then have general discussion of the advantages and disadvantages of each as a basis for his decision.

Senator MUNDT. Sort of a multiple choice solution.

Admiral SOUERS. That is right.

Senator MUNDT. Was part of the function of the National Security Council to set up a long-term objective, not just meeting the problems of the cold war or the hot war, whichever you have on your hands, or that you envision in the next 2 or 3 years, but to set target goals for 10 years, 20 years, and try to move toward them over the big sweep of history? Or was its function more to meet the immediate problems of the day?

Admiral SOUERS. That isn't the purpose of the Council. Unfortunately many of those immediate problems did get into the mill. But I think we succeeded in some rather well-conceived, long-range, basic policies that stated our objectives, vis-a-vis a certain situation that are probably still in existence, I don't know. But we tried to confine our activities to the broader ones. Unfortunately, fires keep developing all along and they are bound to distract any organization like that.

I presume that still happens. But I cannot answer for what happens now.

Senator MUNDT. If something urgent comes along, you have to concern yourself with that.

Admiral SOUERS. The President had a Council meeting according to the paper—when was it, this morning, or yesterday? You do have matters that are at the moment of very great importance, and the President may want to call in a number of people for viewpoints on what to do about it.

Senator MUNDT. I am glad, Admiral, that you amplified in response to a question by Senator Muskie the statement which concerned me a little when I first read it, where you said that the Secretary must inescapably be first among equals. It seems to me that the connotation of the term "Security Council" means, first of all or primarily, concerned with the security and the protection of the country, and that necessarily every projected foreign policy has to be measured against the capabilities of our country militarily to sustain it. There are some pretty good long-term objectives that we would like to have the world evolve, but it might involve a considerably larger military expenditure far beyond our capabilities. You defined in answer to

Senator Muskie's question what you meant by that, as I understand it, by saying that in terms of making the initial suggestion and recommendation on foreign policy, this is where he became first among equals, but on the defense level they could say "This is very fine, and we would like to have it that way, too, but this would mean you would have to draft every able-bodied man in America, that you might have to take over every single fabricating plant to do it," and they might point out the unrealistic aspects of the capability.

Admiral SOUERS. I agree a thousand percent.

Senator MUNDT. It is clear now. But just standing on its own, it is subject to different interpretations. I had placed on it a little different interpretation.

Admiral SOUERS. The point I am making is that by our form of government the Secretary of State is the No. 1 Cabinet member. I don't think the Joint Chiefs of Staff should make foreign policy. That is what I am trying to make as a point there. Nor should the Secretary of Defense.

Senator JACKSON. Nor vice versa.

Admiral SOUERS. I don't want the State Department to determine military policy. But both factors have to be considered in every policy decision.

Senator MUNDT. Ultimately, under our system of government, of course, the President makes the policy, and he gets his counsel from the various departments.

Admiral SOUERS. Yes, sir.

Senator MUNDT. I believe that is all.

Senator JACKSON. Mr. Pendleton, have you any questions?

Mr. PENDLETON. No, sir.

Senator JACKSON. Mr. Mansfield?

Mr. MANSFIELD. No questions, Mr. Chairman.

Senator JACKSON. Are there any further questions?

If not, may I express our appreciation to you, Admiral, for being with us this afternoon. We are grateful for your help and your counsel, advice, and suggestions.

Senator MUNDT. It has been a very informative discussion.

Admiral SOUERS. Thank you.

Senator JACKSON. The committee will meet tomorrow morning at 10 o'clock.

(Whereupon, at 4:30 p.m. the committee was recessed, to reconvene at 10 a.m., Wednesday, May 11, 1960.)

THE NATIONAL SECURITY COUNCIL

TUESDAY, MAY 24, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY
MACHINERY, COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met at 2:20 p.m., pursuant to call, in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster Denny, and Richard S. Page, professional staff members; and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council.

Senator JACKSON. The subcommittee will come to order.

The record will show that all present either have top secret clearance or interim top secret clearance.

Senator JACKSON. We are delighted to welcome as our first witness this afternoon Gen. Robert Cutler.

General Cutler served on two occasions as Special Assistant to the President for National Security Affairs, in 1953-55, and 1957-58. In that capacity he also served as a member of the Operations Coordinating Board, and Chairman of the National Security Council's Planning Board.

He brought to these posts a distinguished background in law, in banking, and in the service of his country in two World Wars. No man is more eminently qualified to comment on the workings of the National Security Council and its subordinate bodies during recent administrations.

General Cutler, we are delighted and pleased to have you with us this afternoon. I understand you do have a prepared statement and you may now proceed in your own way.

STATEMENT OF GEN. ROBERT CUTLER, FORMERLY SPECIAL ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

General CUTLER. I would like to read this statement, if I may.

I am Robert Cutler, a citizen of Massachusetts. At present I am serving a 3-year term as U.S. Executive Director on the seven-man Board of Executive Directors of the Inter-American Development

Bank, to which I was appointed by President Eisenhower and confirmed by the U.S. Senate in January 1960.

I also serve, without compensation, as Special Assistant to the Secretary of the Treasury. In order to give full time to the Inter-American Bank, I have severed my previous employments and affiliations, except for a few charitable undertakings with which I have been very long associated.

I voluntarily accepted Senator Jackson's invitation to appear before this committee, solely in connection with its study directed to matters involving the purposes, composition, organization, and procedures of the National Security Council and its subordinate machinery. These bounds are defined in the "Proposed guidelines" referred to in letters passing between Senator Jackson and President Eisenhower, July 9 and 10, 1959, furnished to me by the subcommittee chairman.

My qualifications in this area derive from my service as Special Assistant to the President for National Security Affairs for almost 4 years—January 1953 to April 1955 and January 1957 to July 1958.

During this period I was Chairman of the National Security Council Planning Board, a member of the National Security Council Operations Coordinating Board, sat with the Council on Foreign Economic Policy, and served on or dealt with other elements concerned with national security affairs.

During my 3-year and 10-month tenure as Special Assistant, I presided over 504 meetings of the National Security Council Planning Board and assisted in the conduct of 179 meetings of the National Security Council—48 percent of all Council meetings held in its 10¾-year existence up until that time. The President presided at all but six of these Council meetings.

In this period of my service, there was developed a procedural method and a rhythm of Council operation which met with the President's approval and has been generally continued, I understand, to the present time; that is, the council normally meets about 44 times a year for 2 to 2½ hours, the Cabinet meeting somewhat less frequently. The National Security Council Planning Board normally meets twice a week for 3 hours or more a meeting, and the National Security Council Operations Coordinating Board meets every week for about 3 hours.

The subcommittee published in March 1960 a committee print entitled "Organizing for National Security—Selected Materials." This committee print includes on pages 8 to 28, inclusive, an official description of the organization and procedures of the National Security Council, the NSA Planning Board, and the NSC Operations Coordinating Board. The earlier draft of this paper was prepared by me as Special Assistant. On pages 48 to 61, inclusive, a paper of mine prepared for "Foreign Affairs" in April 1956 entitled "The Development of the National Security Council," is reprinted.

Because of my familiarity with these documents, and my belief in their soundness, I should like to incorporate them into my testimony without burdening the subcommittee with repetition.

With the subcommittee's permission, I should like, first, briefly to describe the operation of the National Security Council machinery, with which I was so familiar; second, to list and comment orally

upon what I consider the guiding points of such operation; third, to answer questions.

Mr. Chairman, if I fail to make clear what I am trying to say I shall endeavor a clarification in response to immediate questions.

First, a brief description of the operation of the National Security Council mechanism. In order to avoid misapprehension of any brief, generalized description, it is necessary to have in mind these criteria:

(1) The Council's statutory function is to advise the President on national security policy. It does not serve as a planning or operational mechanism.

(2) The Council's statutory function is to integrate all germane views in making national security policy recommendations to the President.

(3) The Council also has a statutory duty, subject to the President's direction, to assess and appraise the objectives, risks, and commitments of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President.

(4) Thus, the National Security Council mechanism is for the personal use of the President in resolving his will on issues of national security policy. But it is not an exclusive procedure which the President is required to use. In fact, the President may—and does—use from time to time other procedures and mechanisms for particular national security matters.

(5) The Council mechanism's relation to the President is advisory only. It recommends; the President decides.

I thought it advisable to point out that during the early years of President Eisenhower's term, the Council was concerned (1) with reviewing and recommending revisions of the existing written national security policies of the preceding administration, over 50 in number; (2) with preparing recommendations for new national security policies to deal with both gradually changing circumstances and emergency situations.

As a result, some 70 policy statements were revised or originated during the first 2¼ years while I was serving.

In the second term it was possible, in conformity with the President's wishes, to adjust somewhat the Council's primary focus from the necessary considerations and approval of written policy statements more toward oral discussions of national security policy issues.

Thus, the annual review in 1957 of overall national security policy—which usually consumes several months' intensive work each year, was initiated by a series of six council meetings, at each of which significant issues were discussed on the basis of brief discussion papers—including alternatives—prepared by the NSC Planning Board. Similarly, the 1958 overall policy review was initiated by similar discussion papers based on the latest national intelligence estimate of the world situation.

Now, may I describe how the National Security Council mechanism would go about preparing a national security policy relative to the mythical state of Ruritania—the procedure would be similar for a wider geographical area or an aspect of the national economy or of the national defense, or a functional activity of the U.S. Government involving national security, etc.

(1) The Ruritania item will be scheduled weeks or perhaps months ahead on the National Security Council Planning Board tentative agenda, in order to give advance notice and enable preparation of material. For this item, the National Security Council Planning Board will be composed of officials—having the rank of Assistant Secretary or its equivalent—of the departments and agencies that will be represented at the council table when Ruritania is taken up by the National Security Council.

(2) The Planning Board, at its first of three, four, five or more sessions on this subject, will have before it a national intelligence estimate on Ruritania. It will also have before it a factual and analytical statement, prepared by the responsible department or departments—or sometimes by an interdepartmental committee—on the military, economic, political, and other germane factors relative to Ruritania.

Sometimes this factual data and analyses based thereon are supplied in separate memoranda, sometimes as a consolidated staff study. In the preparation of this factual and analytical material on Ruritania are involved the vast resources of the informed departments and agencies of Government, the brains and experience of the operation personnel who work day after day in the particular area of Ruritania and who have learned the hard way the strengths and limitations that are involved, the very persons who staff the departments and agencies which will be called upon to implement the policy on which they are working when and if such policy receives presidential approval.

On occasion, though less often on a "country policy," an outside-of-Government consultant group may be convened and its views added to the material under study by the Planning Board.

(3) The intelligence estimate and the factual and analytical material are explained, discussed and chewed over by the Planning Board in one or, more often, several meetings. Frequently, a senior representative of a responsible department, a division or bureau chief, or an Assistant Secretary, is asked to attend at the Planning Board table.

He will be questioned and cross-questioned about the factual subject matter and tentative policy recommendations at one or more meetings. The Board seeks to squeeze out of the material all the juice that it contains.

(4) After these proceedings, a draft of policy statement is prepared by the responsible department or by an interdepartmental or special committee. This draft will consist of (a) the "general considerations" drawn from the intelligence estimate and the factual and analytical material referred to above and upon which the policy recommendations will be based; (b) the proposed "general objectives" of the U.S. policy toward Ruritania; (c) the detailed proposed "policy guidance" in the different areas of United States-Ruritania relations; and (d) appendices, covering anticipated financial costs of the proposed policy, and military and economic expenditures and factual data for past and future years.

Depending on the size and complexity of the subject, all this material may aggregate from 10 to 50 pages, or even more, the annexes being single spaced.

(5) At as many Planning Board meetings as are required, this draft statement is discussed, torn apart, and revised. In the intervals between such meetings, a revised text based on these revisions and on further information is drafted by the Planning Board assistants—these are the assistants to the Planning Board members—and circulated for consideration at the next following Planning Board meeting.

In these intervals the Planning Board members are able to confer with their principals as to the department's or agency's position on the developing issues. I used to call this procedure, Mr. Chairman, when I was chairman of 504 meetings in less than 4 years, an "acid bath."

(6) Finally, through this arduous process, there result either agreement on clarity and accuracy of text, correctness of facts, and validity of policy recommendations or, as is often the case, sharp differences of opinion on certain major recommendations or statements.

In the latter case, the draft policy paper sets forth clearly and succinctly these opposing views, often in parallel columns.

(7) When the draft policy has been thus shaped, reshaped, corrected, revised, and finally stated, it is circulated to the Council members at least 10 days before the meeting at which the policy on Ruritania is to be taken up.

Thus, sufficient time is provided for the Council members to be briefed on the paper and familiarize themselves with its contents and for the Joint Chiefs of Staff to express their formal military views on the exact text which the Council is to consider, which views are also circulated in writing to Council members before the meeting.

The Joint Chiefs, I might point out, have a representative who sits with the Planning Board, as does the Director of Central Intelligence. But the Chiefs, you know, are like the College of Cardinals. They are a different body than anything else in the world, and cannot formally give an opinion on a paper until the paper is in final, formal form and has been circulated to the members.

We know often very clearly, or we can estimate how the Chiefs will react from their adviser who sits with us, but actually we do not get it in writing until they see the paper that has been sent to the Council members. Thus, the Council has before it in writing the proposed policy or recommendations of the NSC Planning Board and also the written view of the Chiefs on those recommendations.

(8) In this standard operating procedure, the views of all having a legitimate interest in the subject are heard, digested, and integrated or, in the case of disagreement, are separately stated. In a good number of cases, as I have said, the views of experts or knowledgeable people from outside of Government are sought and worked into the fabric at the Planning Board level.

The intelligence estimates, the military views, the political views, the economic views, the fiscal views, the psychological impact—all are canvassed and integrated before the President is asked to hear the case argued at the Council table and to come to his decision.

(9) At the Council meeting, the Director of Central Intelligence covers in his oral intelligence briefing, which begins every Council meeting, the latest intelligence on Ruritania. I might add, Mr. Chairman, that this opening of Council meetings with an oral intelligence briefing began in January of 1953.

Hitherto, intelligence had been circulated only in writing, and the director had talked only with the President. It occurred to some of us a wise move to have every Council meeting opened with 15 or 20 or 25 minutes, and sometimes more, of the latest intelligence from all over the world.

As I pointed out, since Ruritania is to be on our agenda, of course, the latest intelligence on Ruritania is included in the Director's weekly briefing.

(10) The Council may have three or four, usually not more, items on a meeting agenda. When the agenda item on Ruritania is reached, the special assistant explains the reasons for submitting the paper, summarizes the high points in the general considerations, the objectives, the policy guidance, and the annexes. He asks the departments and agencies concerned to express their views on the integrated recommendations.

This is one of the most difficult tasks that we have. You must know your subject better than anyone else, in which you have been helped by getting the paper in shape. You must be able quickly and accurately to turn to the high points and thus give a rounded picture to refresh the Council's mind before it begins its argument.

No matter how qualified people may be, I think that they find it difficult to start off a hard argument unless they have a little intellectual stimulus at the beginning.

(11) With respect to the integrated recommendations in the paper, there may be five or six departments which will have responsibilities under the paper; and each of them is asked to make a statement of what he thinks about it.

In the event of conflicts of opinion, the proponents are called upon to state their views and are given opportunity to reply. The Joint Chiefs are requested to state their views. Sometimes these arguments must be carried over to a second or more meetings, especially if there may be perhaps 5 or 10 differences of opinion in one paper. It would be unusual to have so many differences in a "country" paper, but in the annual review of overall policy it is customary that there will be that many differences, or more, of importance, to be settled.

In my experience, divergences of views appeared in over two-thirds of the papers before the NSC. I would like to emphasize this point, for one reads statements by people who have no real basis of knowledge that conflicts are swept under the rug and there are no differences of opinion.

Well, I have helped to run more Council meetings than anyone else, and in the 179 which were under my charge, I would say that over two-thirds of the papers had differences of opinions in them that were heard and discussed and had to be settled, either by the Council coming to agreement after the discussion, or if they didn't agree, then by the President after the discussion.

(12) The President is an active participant in the Council discussions. Sometimes issues which are in conflict are decided by him in the course of the discussion. He has to be very careful not too early in the discussion to intervene. If you are an affirmative person and you intervene early in the discussion, and you have intelligent Council members, they inevitably tend to feel a wind blowing from one direction or the other.

That isn't what the President wants, but sometimes he gets so interested in these discussions that he can't help but jump into the discussion. Some of these discussions last a very long time.

I remember one discussion between the Secretary of State and the Chairman of the Joint Chiefs on a very interesting and difficult subject where they had radically different points of view. Here was a discussion which went on for over an hour between two men of very superior mental ability and very strong beliefs. They spoke with great deference, but with great clarity. This instance was a really fascinating example of the kind of thing which can be done in the council when it is at its best.

(13) Sometimes the President will decide right in the course of the meeting on one of these doubtful issues or disputed issues. Sometimes the President may make his decision a few days later when the draft formal record of action of the meeting is submitted to him for checking, modification, and approval. The record of action, consisting of three or four pages, is a very formal document. It is initially drafted by the Executive Secretary of the Council, working with the Special Assistant, and is circulated in advance of submission to the President to those Council members who were in attendance at the meeting for their comment.

It seemed to me only fair to let the Council members have a chance to see what the record was going to look like, before the staff submitted it to the President in draft form, because they had participated in the meeting it purported to reflect. This helpful innovation gave them a chance to express views again if they wished. Presidential approval of the record of action then determines the national security policy for Ruritania.

(14) Then, as the last act, is the Executive Secretary's letter, transmitting the Ruritania policy, so approved, to the responsible departments and agencies. In the usual case, this letter will advise that the Operations Coordinating Board has been designated by the President to assist the responsible departments and agencies in coordinating their planning to carry out their responsibilities under the policy statement.

So here is a synthesized photograph of how we would proceed to create a policy paper about a particular issue. Like all photographs that are made up this way, no particular case will be like this hypothetical one. And yet it partakes of what exists in all of the cases, really.

The second part of my talk, Mr. Chairman, is this: I have selected on these last 2½ pages, 18 points which out of my experience seemed to me to be the most significant. I call them guiding points in the operation of the National Security Council mechanism, as a policy-maker. If I may, I will read them through. If you will permit me as I come to a point that I think I might like to comment a little on, I will add a little oral comment and perhaps you will wish to ask me some questions as we go along. I regret that I was not able to develop in writing all of my views on these points.

Senator JACKSON. That is perfectly all right. Why do you not go through it in your own way, and when you want to supplement your remarks you may do so, and then we will defer the questions until the end of the opening presentation, if that is all right.

General CUTLER. 1. The NSC mechanism is a personal mechanism for the President to use as one way of making up his mind on issues of national security policy. The mechanism and its operation must be satisfactory to a particular President. The admirable flexibility of the National Security Act permits different Presidents to use the mechanism in different ways.

There are several very significant things that might be said about the concept I have just expressed. I have talked them over, as the chairman knows, with his staff heretofore at meetings that we have had. When I was fearful that some recommendations might be made that I thought would not be in the best interests of this mechanism, to which I have devoted so much of my strength, I had constantly in mind that the Council is only one way a President makes up his mind. He may make it up in any way that he determines, and Presidents do. He may make up his mind at the Cabinet, and he may make up his mind with some other people, and he may make up his mind when he is alone. He is not compelled to make up his mind in any particular way. I am sure you realize that no law can compel the executive branch to come to a policy decision in a particular way any more than the Executive could compel the Congress to come to a legislative decision in a certain way.

You have to have a mechanism provided to each President which he finds useful and attractive. That is why I used the word "admirable" in referring to the scope of the National Security Act. I think the National Security Act is a remarkable piece of legislation because it is so sufficiently flexible that two Presidents, who are quite different in their makeup, have used it in different ways, yet each has found it an instrument responsive to his needs. A third President might use it in still another way. The danger is that the great flexibility of the present statute which commends it so to Presidents, will in some way, as I once said to Mr. Mansfield, get "embedded in legislative concrete." I am afraid of that.

If the Congress adds people to the Council, a President might say, "I don't want to deal with those people in policy matters." If the Congress excluded certain people from the Council, a President might say, "I want to have these people come. If I can't have my advisers around me, then I will form my own committee and I will use that." In such a case, the Council would become a fifth wheel.

This would be a great loss to the United States, in my opinion.

The Council is the President's mechanism. If he likes it, he will use it to the best advantage to himself and as best it can be used. President Eisenhower has put the Council to extraordinary use—about 44 meetings a year. The first 2 years when I was special assistant we were under great pressure of work. Then, we held 52 meetings in each of the first 2 years, an average of 1 a week. President Eisenhower likes this Council process, as now developed; he likes the method of presentation; he likes the vigorous arguments in front of him. That is why he finds the mechanism suited to him and uses it so much. Another President might prefer to proceed in another way. From what General Marshall told me, I think Mr. Truman used the Council machinery in a somewhat different way. But that isn't the point I want to make. My point is that it is a good mechanism and has excellent aspects. Non constat that everything can be improved.

To give a President a tool which he can use and mold to his own use, is the reason why the National Security Act seems to me a major triumph of our national legislature.

2. The NSC operates exclusively in the national security field, which is only one part of the President's responsibilities. The Cabinet, which meets about 33 to 34 times a year, has vast responsibilities for the President, too. Here we have represented the Post Office; Agriculture; the Attorney General; Civil Service; Interior; Commerce; Health, Education, and Welfare; and Labor. These Departments are great elements in our country's strength: although I am enthusiastic about the sphere and scope of the National Security Council, I must always remember that there are enormous areas of government that are not represented at the Council table.

Somebody said to me a few nights ago, when they heard I was coming to testify: "Why don't you suggest that the Cabinet and the Council be combined?" I replied that I thought this would be a most retrogressive step. The Council was created to carve out of the total Government sphere certain areas that should be dealt with by certain of the President's top advisers, leaving in the Cabinet areas that had to be dealt with by all of his top advisers. To put together what had been wisely separated would be a retrogressive step.

I feel sure that it would be so deemed in the judgment of you gentlemen, too.

3. The NSC focuses upon policy and not upon planning or operations.

4. The NSC is advisory only, making recommendations to the President for his decision. This point is very much misunderstood, I suppose, because so little is known about the workings of the Council.

I remember when we first came down here, reading in a newspaper that the Council was a secret cabal sitting in a back room, that no one knew what they were deciding, and that such a top-secret star-chamber process was a danger to the liberties of the people. But we must remember that the Council doesn't decide anything, really; except in that it decides to recommend certain things to the President. That is my knowledge based on 179 meetings of the Council.

5. The NSC is an established forum for the coordination and integration of the recommendations for national security policy which are made by the principal national security policy advisers of the President.

The idea of integration, if we look at the different walks of life with which we are familiar, is now so well accepted that everybody wonders why one should place emphasis on it. But integration in government, just like integration in the teaching of medicine, is a relatively new concept. In the old days, medical schools used to teach the different medical disciplines in separate courses. You learned anatomy in one course, you learned physiology in another course, and so on. But these courses were not married together. In the best of modern medical teaching, the disciplines are integrated more and more.

As I said to Mr. Mansfield in our earlier talks, I understand that integration was so little appreciated by Hitler that, when he was planning in 1940 to invade England, a colossal undertaking which

had never succeeded since the Romans, he saw his chief admiral, his chief of air, Marshal Goering, and his chief army commander, together at an integrated meeting only once in the whole summer. The top leaders were kept separate and did their work separately. Perhaps that is one reason why the planned invasion was abortive. Yet it was as late as 1940 that the largest victorious armed force in the world up to that time had not seized upon the concept of integration. The United States found integration necessary when we went into World War II. The Army Service Forces were created to integrate all of the small independent agencies within the Army structure under one overall chief who could control and direct.

So I bear down on the acceptance of integration and the usefulness that this concept has brought into our Government in many ways.

The NSC provides an excellent forum for vigorous discussion, with the President participating, at which all interested parties are heard by the President as Chairman and by the other members.

May I emphasize this next sentence, because this is what I have found in the Council as it operates at its best? These recurring discussions which come up almost every week, these discussions at frequent intervals tend to do two things: first, they tend to orient the members toward action as a corporate body rather than as agency protagonists, and, second, they lessen any chance or need for ex parte Presidential decisions.

I am not saying that you don't have agency protagonists still at the Council table. Of course, you do. Department heads are hired to be protagonists for their heavy responsibilities. But, by virtue of these department and agency heads sitting together over a great number of meetings, getting to know each other, getting to know that the President wishes them to advise him as a corporate body and to use their heads the way he has had to use his—the regular, frequent recurrence of this process over a period of time gets the Council members thinking more as a corporate body, more like a good board of directors, than as merely representatives and protagonists of departments and agencies.

My second point is also of tremendous consequence. Nothing is so dangerous to any form of government or of any private enterprise as the ex parte decision, based on the advice of only one of several sides, privately spoken to the head man.

There are pressures brought on every President to do this or to do that. But a President is always at liberty when he has these recurrent Council meetings every week, to say "Tell the Special Assistant to put the issue on the Council agenda; then everybody can have a crack at it." In this way, the issue is explored in the light of day; and everybody hears what everybody else has to say about it. This is a great virtue.

7. The formal record of actions of all NSC meetings, together with the approved policy statements, provide a valuable continuity of written policy decisions.

I think Mr. Lovett in his testimony referred to this, the value of having a continuous written record of the policy decisions. Until a few years ago, the Cabinet had no regular written record of its decisions. They remained in the memories of the people who were present at the meetings. Since 1954 this has been changed. President Eisen-

hower initiated the circulation of papers and agenda in advance of Cabinet meetings, with time for them to be read and studied by those to be present so that they would know what they were to talk about, and the formal written record of action taken at the Cabinet to show what had been decided.

All this may have removed some of the informal charm, perhaps, of the old Cabinet meetings, but it made the Cabinet, I think, a more responsive organization to the President's wishes.

8. The Council should not be too large, so as to render it infeasible for vigorous, top-secret discussion of cleavages of opinion. Nor should the Council be too small so as to miss the views of those who should be heard on the issue to be discussed. There are normally about 11 at the Council table, apart from the Special Assistant, the Executive Secretary, and his deputy; not too large a number, a total of 11 normally participating at the table.

The President, the Vice President, State, Defense, and OCDM, Treasury, and Budget; about half of the time AEC; the two advisers, the Chairman of the Joint Chiefs and the Director of CIA, and the Director of USIA.

Around the sides of the Council room, away from the table, there are a few other Presidential special assistants. These are in irregular attendance. Almost always there is present the Special Assistant for Science and Technology, Dr. Kistiakowsky, the Special Assistant for Operations Coordination, Mr. Harr, and the person who now administers mutual security, I think it is the Under Secretary of State. Sometimes Mr. Randall, the Chairman of the Committee on Foreign Economic Policy, is present. There may also be present the Assistant to the President and the staff secretary. None of these six or seven persons participates. They attend because the President thinks it is a valuable thing for them to be present.

On rare occasions, as where an important study or report by "inside" or "outside" consultants or committees is to be made, it is convenient to hold a much larger meeting to hear the exposition, but not for discussion thereof.

I do want to say a word about this, because this is a most important feature of the Council, and I know it has been adverted to by some of the people who have testified here already. There is an indefinable line in what changes a profitable meeting into an unprofitable one. The unprofitable meeting is the one which Queen Victoria characterized when she said she didn't like Mr. Gladstone because he talked to her as if he were talking to a town meeting. The profitable meeting is where there exists what my law professor, Prof. Edward Warren, used to call the pow-wow element. Somewhere between these two extremes you lose out. It must be small enough to have the pow-wow element. It must not get so big that it turns into a town meeting.

You can divide Council meetings into three kinds. There is the big meeting where you have a Gaither Committee report, or a technical capabilities panel report, or some report on some new thing that is being developed in the Pentagon. Such a meeting is wholly expository in nature. Here you may run up to 40 people. This is a Council meeting, but it isn't for the purpose of discussion. It is for the purpose of convenient exposition and information. I have found it

much easier to handle this kind of work in one large meeting rather than try to get these top-secret people together at two or three meetings.

The second type of Council meeting is the usual type of which I have been talking, the normal type where there will be 11 or 12 participants at the Council table who are free to talk. The staff people are at the table because they help to run the meeting for the President. Those who sit around the side walls say nothing unless for some reason the President might call on one of them and ask for an opinion on a particular point.

A third type of meeting is one in the agenda of which more people have a proper interest and the attendance must be, therefore, somewhat enlarged. For instance, normally President Eisenhower expects the Chairman of the Joint Chiefs to represent the Chiefs at the council table, and the Secretary of Defense to represent the service Secretaries. The service Secretaries and the Chiefs are always at liberty to go and see the President in his office whenever they wish. They did so when I was in office. But sometimes it is desirable to have them all at the Council meeting for a defense item. Then there will be involved three service Secretaries and four Chiefs—seven more to sit at the table. When there are as many as that in attendance, other people think that they ought to be there, too. Sometimes such meetings are necessary, whether or not they produce as fruitful results. But the important point seems to me to be this. You have to have as many people at a meeting as the President, who is in charge, feels are necessary for the expression of the various points of view that he thinks should be expressed. You should not leave out a small voice which has a real interest just because it is small. Civil Defense may not have been the biggest agency, but if it had an interest to speak, it ought to be permitted to come in and speak. It should neither be neglected nor should it come in the back door through another participant.

That is one criterion. A second criterion is, of course, to keep down the number of people attending, because if any meeting gets too big there is a tendency for people not to speak as freely as in small meetings. But it is my experience that it is not too big if you have at the table around a dozen participants—plus the three staff people—and also perhaps six or seven trusted advisers to the President sitting around the back of the room. This number has not interfered with free discussion or vigorous debate.

Someone testified that there was a mass of people present. There are a mass of people present when you have an expository meeting like the meeting to hear the Gaither Committee report first rendered but I certainly don't consider the ordinary meeting a mass of people.

9. Each President must be free to invite to the council table such advisers as he feels are required to represent for him the basic national security concepts of his administration.

In one of your subcommittee's interim reports, there was some suggestion that perhaps the role of the Secretary of State and the Secretary of Defense should be enhanced in some way. That, I think, is something up to each President to decide. I don't think that you could or should put this in a statute. Different Presidents have different concepts of national security, and what is one man's concept may

not be another's. If the President is to use the Council as his valued mechanism, which is what we desire, then he must have the people at the table who give him the balanced view which he feels is the correct view of the national security. This is not an overweighting by more voices on one side of the issue than on the other. In fact, that is a balancing of the scale which is very important. We are really saying that the Council attendance must be satisfactory to the President.

10. There should be the fullest airing in the Planning Board and at the Council of cleavages of opinion—sharply expressed in papers, carefully explained to the Council with the President present, with opportunity for all sides to be heard and to rebut.

I wish that I could count up the hours that I have labored to try to make these differences of opinion sharply stand out in a policy statement in parallel columns, so that one could see the difference at a glance even without the accompanying explanation.

11. Policy decisions at the apex of government must be broadly phrased, leaving detailed planning to the responsible agencies aided in coordination by OCB.

I have read in some paper or testimony that in the prior administration the operative part of the policy papers were expressed in three or four paragraphs, sometimes in less than a page. In a country as big as the United States, with the manifold things with which we are concerned policy decisions must be explained in general and not specific language. I don't mean by this that the language should be bland or obscure or poorly expressed. I certainly struggled as hard as I could to try to express clearly what was intended.

A Hoover Commission task force while I was special assistant in 1955, looked into the operation of the National Security Council. A representative of the task force told me that they had heard from people in the Pentagon that the guidance they were receiving in the NSC papers was not sufficiently clear. They thought we should be more specific. It is my experience that when you give people instructions that they do not like, they may say that those instructions are not very clear.

This is a human thing. You can't have detailed policy instructions at the apex of the Government of the United States. They must be broad policy decisions. We should be writing nothing but lengthy papers if we had them otherwise than phrased broadly, yet phrased clearly so people can understand what is meant.

Numbers 12 and 13 really go together. The fullest, most intelligent use of the vast, valuable resources of the departments and agencies will bring better results than use of a large ivory tower staff responsible to the President, or of a continuing contract for studies with an enterprise outside of Government, or of a continuing, semiautonomous "political academy." There is no substitute for—

(a) The intelligence of the day-to-day operator who knows the practical limitations;

(b) The hard-pressed operator, who is a better adviser on policy and action than the full-time theoretician.

The NSC Policy Coordinating Staff should be small, highly competent, and well paid, aiding the special assistant in his exacting task as Chairman of the Planning Board and special assistant to the President and assisting the executive secretary.

When I came to the Council in 1953, I had had a little experience in 1951 as the representative on the Planning Board of the new Psychological Strategy Board. In order to study how to make the Council more effective and report recommendations to the President, I took advice from a number of people, Mr. Lovett, General Marshall, Karl Bendetsen, the former Under Secretary of the Army, Professor Elliott, about 15 of them as I recall, mostly meeting in small groups for a day of conference. One of the issues then was whether we should have a big staff. Some people thought it should be bigger and some of them did not. I was interested in reading Mr. Acheson's paper in this committee print. He took a blast at a large staff, which made me feel I must be a wiser man than I am. For that is my view.

I think that you don't want a big staff at the top of Government responsible to the President or responsible to the special assistant or through the special assistant to the President. You need enough men to help carry this heavy load that the special assistant carries, 11 or 12 hours a day, to help him do his work. But for the basic information, the facts, for everything that you need to carry on this enterprise there are the great resources of our governmental departments and agencies. I was always amazed by the quality of the people that would appear from the departments, if you dug hard enough, on any subject. The amount of information that they had was extraordinary and the quality of expression of this information was high. These are the people that you need to get advice from. They will do a lot better than through hiring by contract a firm on the outside. I will have something to say about employing outsiders in a moment. But here I want to say that the people who can best advise you are the people who have had the hard experience of doing the job and who know what it is to do the job. They will advise you better than the man who has never done the job but has theories about how it should be done. Perhaps you should have both kinds, to some extent.

Senator JACKSON. If you are going to come to this point later, that is fine, but I think it might be helpful if you could elaborate a bit on how you get the valuable ideas that are within the departments up to the top. I happen to concur with you, General Cutler, and I believe we do have within the departments great talent, and a very valuable source of wise counsel.

I wonder if there is something that we could be doing that we are not doing now to better tap that talent.

General CUTLER. I do have a point coming later but let me now answer you directly, because this issue is one of the things that helps most basically to make this Council operate.

After my study in 1953, the President decided to call the subsidiary body "the Planning Board" rather than the "Senior Staff." I suggested that the President himself appoint each member of the Planning Board, on the recommendation of the Department head and with my approval.

The man so chosen will represent the State Department. We made a ground rule, every member of the Planning Board has Assistant Secretary status or higher. Usually the Treasury has sent an Under Secretary. We look over the Assistant Secretaries. The Special Assistant must know the man. When I talked to the Secretary about his choice, I usually knew them—do you think this one or that one is best qualified? We agree on somebody who will be satisfactory to

both. The Secretary writes a letter to the President and the Special Assistant approves and takes it to the President for discussion and Presidential designation. This process elevates the Planning Board member. He isn't just appointed by the Secretary of State; he has a letter signed by the President of the United States appointing him. Such a letter goes to each Planning Board member. This seems to me to elevate this man in his position and gives him a greater prestige to have access to the total resources of his Department. He must also, of course, be intimately associated with the Secretary of State. The closer this association, the more useful the person will be as a Planning Board member. When Robert R. Bowie was State's representative at the Planning Board, he lent tremendous impetus, and stature to what we were doing. He was not only interested, able, clear, intellectually aggressive, and strong in his views, but also because of these abilities and his standing with Secretary Dulles, he was able to get the best people from the State Department to assist when we were talking about a particular subject.

So, it is important to insure that the Planning Board member has the qualifications set forth in the NSC organization paper in your committee print.

We were fortunate in having splendid men as Planning Board representatives. They were keen, and interested to argue points, and interested to get the best, and not willing to give up, until the best job possible was done.

The resources are there in the Departments. If you have as the Department's representatives a Secretary who is interested in the Council mechanism and a Planning Board member who is competent and interested, you will obtain from that Department all of the information that you want. That would be my answer to this particular question.

I had one more thing I was going to say later about it.

May I go on now?

Senator JACKSON. Certainly.

General CUTLER. No. 13. The NSC Policy Coordinating Staff should be small, highly competent, and well paid, aiding the Special Assistant in his exacting task as Chairman of the Planning Board and Special Assistant to the President and assisting the Executive Secretary.

We have about 10 "think" people on this staff. That is a shade on the low side, and I think that we could do with two or three more. But not many more than a total of 12 or 13 or 14. It should be a career staff, I think, as Mr. Lovett expressed it in his testimony. It was always the intention that the staff would be built up to a continuing hard core of 12, 13, or 14 very competent people, and well paid. Their work is fascinating, they will never run into anything in life again as interesting as this work. As long as a man has interesting work and is adequately paid, he is likely to make that work his career. We have been very fortunate in attracting good people to the NSC staff.

I would like to have had a few more.

The Special Assistant is a political figure, one who goes in and out with the administration. But the staff, beginning with the Executive Secretary and so on down, should be career personnel.

I feel this career quality of the staff is a very important matter.

No. 14 is Robert Cutler's conclusion in regard to a controversial subject that we have argued about for years. "Wise men without departmental responsibilities serving as permanent members of the Council will not produce the most desirable results."

I used to call these wise men "Nestors," but some of my audience didn't know who "Nestor" was, and so I went back to using the phrase "wise men."

Many people have the idea of putting "Nestors," without departmental responsibility on the Council. Mr. Baruch is one believer in this concept. Mr. Baruch is a very wise man, and a counselor of Presidents. The idea has come to me from all sides: "Don't you think it would be a good idea to have a couple of Nestors without portfolio, sitting as Council members? They would be able all day to sit in their offices and think. They wouldn't have other work to do; just think and bring these thoughts to the Council."

I don't agree with this concept, as a permanent continuing procedure. I will tell you why. If I were the Secretary of Defense, for example, and persons of great ability, like James Bryant Conant or Dr. Vannevar Bush or Mr. Baruch, were sitting at the Council table with the sole responsibility of thinking up and bringing in their thoughts while I was practically running myself ragged carrying on the operations that I was responsible for, I would find it difficult to have these gentlemen telling me of the right policies to guide how I ought to run my Department. I would be inclined to say, "Well, if you know so much about this Department, why don't you come over and run it, and I can go back home and run my own business."

The "Nestor" concept won't work, I believe. There is a better way to get at the idea embodied in this concept, which is a very sound idea. I am going to discuss it in a few minutes.

No. 15. Here is a "guiding point" that lies at the heart of the whole Council operation and of the whole structure of the United States under its Constitution:

No arrangement should be proposed or put into action which will tend to cut across the lines of responsibility which run directly from the President to his responsible department and agency chiefs.

Now, of course, the President can cut any of these lines he wants to, if he wants to; but I believe it would be unwise to do. But nobody else can do it. I will give you three reasons why I feel so strongly about this.

In the first place, the orderly conduct of any great department in the Government depends on its having a boss, who is responsible to the President who appointed him. Whether he is good or bad or indifferent, he is running the department until he gets fired. His responsibility is to the President. That is the first reason. The second reason is this: It is very difficult to get qualified men to head the big departments and agencies. To discourage them by substituting for a direct line of responsibility to the President, the intervention of a committee or someone else, is a very dangerous step. It will make it all the harder to get qualified people to run the Government's big departments.

In the third place, I believe that every one of these departments has the resources and the information to enable these men to run their departments well, assuming that they are competent and good men.

Therefore, they should be the ones, carrying the load of their department responsibilities, to advise the President.

When the William H. Jackson committee devised the present setup of OCB in 1952 we wrote the Jackson committee report, a lesser Jackson, of course, Mr. Chairman——

Senator JACKSON. I would say we will elevate him to the summit, a very able man.

General CUTLER. As you read the OCB charter, you will see that this primary law of direct responsibility to the President is carefully preserved. The OCB charter provides that the OCB shall assist the agencies and the departments in the carrying out of their planning responsibilities under the national security policy. It has no power to intervene, to order, to come between the President and his responsible minister. If one agency says I won't do it that way, I don't care what the OCB says, there is no other way to settle the impasse but to take it to the President. The dissenting agency head has the right to do that. His responsibility is to the President and he isn't responsible to any group, even if that group is composed of persons of Under Secretary rank.

Many people believe parliamentary government is better than our form of government. Well, it is a good form of government. But, on the whole, I think that the United States has done pretty well. I believe that this direct line of responsibility from an executive department chief to the President who appoints him is basic to our form of government. I want to stand up for it.

No. 16. For the introduction of new and fresh ideas and points of view, other than those generated within the Government, the NSC should use ad hoc consultant groups, carefully selected from "outside" of Government for their specific or all around capabilities, using them either before the formulation of policy recommendations, during the formulation, or after the formulation (for the purpose of review). Such individuals or groups may serve from 1 day to several months, depending on the issues involved. Outside consultant groups may include qualified citizens with prior Governmental service. Outside consultants are free from the inhibitions which sometimes tend to affect permanent Government staffs.

Since this matter is something that your staff expressed a great interest in, Mr. Chairman, I would like to say a few words about it. During my 3 years and 10 months of service as Special Assistant, and because I am a great believer in using consultants on an ad hoc rather than on a permanent basis, I used 15 separate groups of consultants. The term of service of these groups ran all of the way from 5 or 6 months, like the Technical Capabilities Panel under Dr. Killian and like the so-called Gaither Committee down to only 2 days. A consultant group chaired by former President Dodds of Princeton were able to finish their work in 2 days.

In these ad hoc consultant groups we can draw on different fields of endeavor, different areas of the country, and different experiences. It is possible to obtain the ad hoc services of extremely well qualified and intelligent men for a certain amount of time, when they might not be able to come on a permanent basis.

Our first ad hoc consultant group composed of seven consultants, was called in to review a policy that had been decided on. Later on,

almost always, we brought ad hoc consultants in at the beginning or during the course of policy formulation.

It has been said Mr. Chairman, that the views of these consultant groups were not given attention to by the Council. Let me answer that from my own experience. In the case of the Technical Capabilities Panel, which Dr. Killian headed in 1954 and 1955, the report was presented to the Council at a 4-hour meeting, broken into 2-hour sessions. At 14 subsequent Council meetings different parts of this report were taken up and dealt with. For a year and a half different recommendations of this report were principal items on Council meetings agenda.

I was responsible for requesting the creation of the Security Resources Committee the so-called Gaither Committee with Presidential approval and took a great interest in the work and its report of 40 pages. The Killian Committee report was 100 or 115 pages, I think. Some of the top personnel of the Gaither Committee were received by the President twice, before the report was rendered. Then the full report was presented to the Council at a full 2-hour plus meeting. This was one of the larger Council meetings, convened to hear a report but not for discussion of contents. I have earlier testified to the convenience of making such sensitive reports at one, rather than several meetings, at which all interested persons are present.

Later on, the Gaither Committee report was broken down for study into its principal groups of recommendations. It seemed a sensible way to proceed to break the many recommendations into naturally related groupings and send the groupings to the departments interested in them and require that by a fixed future date departmental reports be rendered by such departments to the Council so they could be scheduled on the agenda of forward Council meetings. We held 13 Council meetings to consider specific groupings of recommendations and departmental reports thereon, and fully discuss them. This procedure went on for the better part of a year.

Out of the some 40 separate recommendations, certainly 35 were exhaustively considered by the departments and made the basis of written reports. Over a period of 7 or 8 months these reports were heard and discussed by the Council. It is quite untrue that the Council paid little, or no, attention to the Gaither Committee report, as has sometimes been stated. To the contrary, the Council devoted a very great deal of time to its recommendations. Of course, it did. That is what we wanted the report for. We appointed all the 15 consultant groups, during my tenure, to report to the Council. As long as I was there, there wasn't a single consultant group that did not have its reports very thoroughly worked over.

Now, Mr. Chairman, when intelligent people cherish ideas, cherish strongly, and give up a lot of time and effort to propose and forward them, they are naturally disappointed when those ideas are not accepted in exactly the same way in which they are presented. They are apt to feel that their work was for nothing; that attention wasn't paid it because it wasn't accepted lock, stock, and barrel.

Does this reaction mean that the recommendations which they made were right? No. But the reason I favor these ad hoc consultants groups and valued their work in my 4 years was that they stimulated thinking. They excited people's interest. They had a profound

effect. Naturally this would be so, if you enlisted consultants of highest possible quality. Look at the membership, for example, of the Gaither Committee and the Killian Committee. Here you had some of the greatest scientists in the world at your beck and call. We had Nobel Prize winners talking to the Council, people of that type. To me, it was a fascinating and contributing procedure. You couldn't get this result by hiring a permanent staff. Nor could you get it by hiring some corporation, either, to make these studies. Men of the kind of which I am talking are not purchasable. But you can get them for short stretches of time as a contribution to the national security. They do not refuse the President's invitation on an ad hoc basis.

Therefore, I believe, that the use of ad hoc consultants is the right way. I think that a superior way to introduce new and exciting ideas to the Council is to get the best qualified people that you can on a temporary basis to help.

I also added No. 17. I think it is a good idea once in a while to use an "outside" private research organization on an ad hoc basis.

Senator JACKSON. Before you finish that point, could I ask this question: You very rightfully have touched on the problem of human nature and human behavior, that is the desire of people having worked hard on an idea, to want it adopted. Let us take the other side, however. What impact do you feel there is in trying to get new ad hoc committees when we have to say so many key recommendations of the previous ones were not accepted?

Don't misunderstand me; under our system of government, of course, an ad hoc committee is not a substitute for the President or the regular policy advisers to the President.

General CUTLER. Let me make a slightly roundabout answer, because you have put your finger on what is the most frequently raised objection to these consultant groups. It is said that they take up too much time of the top people in Washington trying to educate the consultants.

Now, even when you have top-flight, qualified people as consultants, they don't know what the current situation is and they have to be educated by up-dating briefings. Who is going to brief these important citizens? It won't work to have this done by someone way down on the staff. So it means probably that persons at the Secretary level have to do it, or to come for part of the time while other competent people are doing the briefing. But the educational process is time-consuming. Then, secondly, persons who have left their university, their business, their bank, their political work, to come to Washington and work as hard as is humanly possible at their appointed job, feel a human and natural irritation to have distinguished consultants stand behind them and breathe down their necks while they are trying to do their jobs. They tend to resent a little being asked by a consultant: "Why didn't you do it this way?"

I have heard this often. And yet it is my overall experience that the best opinion is that the use of ad hoc consultants, as we have used them, was a good thing to have done.

Who says that the Council did not accept all of these ideas? How do people know that? It is certainly true that not all of the ideas of a particular report are accepted. But many of the ideas have been

accepted, maybe not quite as proposed but in some modified form, perhaps some improved modification dreamed up by a hard-pressed operator. Possibly not all a report's recommendations really were as good as believed. Maybe if the ad hoc committee came together in 3 years, they would agree with this point of view.

One of the things I have learned is that almost as important as the decision is the effort that goes into making up the decision, and the stimulation that it provides. It isn't the decision only that is important. It is the tremendous intellectual stimulation that everybody gets in arguing and working over the problem. I have never found that it was hard to get people to come down to Washington to serve as ad hoc consultants.

Recently, there have been used distinguished people as consultants with the Planning Board as it begins its annual study and review of over-all national security. Men of the caliber of General Gruenther, Dr. Arthur Burns, James W. Webb, to mention a few. They were glad to give up their time and come down to Washington. Why should they not be glad? It is their life at stake just as much as it is anyone's. They never refuse to come.

Senator JAVITS. Could I ask a question there? Do any of these people ever actually sit in on the NSC meeting itself, as outside consultants? Do they have a chance to argue their point with the rest of the high level people?

General CUTLER. In the early days of the use of consultants, this was a practice which was followed. Later because of the number of people that got involved in these studies, it was more frequent either to pick one person to speak for them all, as was done in the case of Mr. Robert C. Sprague, who came for a long time after a certain report to help follow certain of its recommendations through the Council.

Senator JAVITS. The answer is "Yes."

General CUTLER. Not as a universal rule. When you have a consultant group with 50 or 60 people working on its staff it is difficult to select who will attend. The President cannot have new people constantly coming into Council meetings. The members would hesitate to talk in front of people they don't know. Perhaps there is a suggestion here which we should consider more.

At the beginning, it was customary to have consultants appear. On the other hand, sometimes I can see awkwardness in this procedure. Perhaps we should draw up a list of 40 or 50 men, starting with men like Mr. Lovett and that type, who would be qualified to be called upon for consultation and who would agree in advance to give brief periods of service from time to time. They could be educated and brought up to date every couple of months for a couple of days.

This is a thought which might help a little bit along the lines that you have just been asking. It would establish a set of consultants.

Senator JAVITS. Thank you very much.

General CUTLER. The last point (No. 18), Mr. Chairman, is this: It is the quality and the caliber of the operators far more than the quality or quantity of the mechanism that counts the most, whether you are talking about the Council, or league, or a law school, or business management or research.

What one needs in government as in all else in human enterprise is what a friend of mine calls "the pursuit of excellence." This is a

wonderful phrase. Leadership lies in the pursuit of excellence. This is so in all walks of life. You don't get results by money, and you don't get results by high office, you get results by the services of the best men that you can obtain for the job.

We can help mechanically. We can always improve mechanisms, but—above all things—let us seek to improve the caliber and the quality and the devotion of the operators.

Thank you for being so patient.

Senator JACKSON. General Cutler, before I turn to the questions, and I am sure I speak for all of my colleagues on the committee, I want to express our deep appreciation for the time and the effort that you have given over a period of time to the staff and to me, and for your thoughts here today in connection with the study that we have undertaken.

I want to say that you have been very forthright and completely honest and in my judgment, helpful to us. You are always provocative in the exchange of ideas and information, and we appreciate your tolerance and forbearance.

General CUTLER. You see, Mr. Chairman, for 4 years, practically, the Council was my life so I am very fond of this subject.

Senator JACKSON. We have something in common.

Senator JAVITS must attend a delegation meeting and I wonder if you had a question or two you wanted to ask.

Senator JAVITS. I would just like to say to General Cutler that I am very grateful to you personally for being here.

I think that what you have outlined for us, the suggestion which you and I both seem to like, makes a considerable amount of sense. I might tell my colleagues and Senator Jackson the President commented in a personal letter to me which I will get his permission to share with the chairman and with the members of the committee, and it is that kind of suggestion that I had very much in mind that we may get, Mr. Chairman, from the patriotic evidence given by such witnesses as General Cutler.

I think that those will help us to chart a course in the days ahead that will avoid even that minimum number of pitfalls which could be so dangerous for a free people.

Thank you very much.

Senator JACKSON. Thank you, Senator Javits.

Now I am going to ask just a few preliminary questions.

As you know, there has been considerable discussion, General Cutler, about the desirability of the NSC concentrating its efforts on a relatively small number of policy questions of overriding importance rather than getting involved in a lot of less significant issues.

Do you have any comment on that? Is there a danger that there are so many problems in the complex country and world we live in, that we could fall into the trap, so to speak, of not recognizing and identifying effectively the critical issues and spending an unnecessary amount of time on relatively less significant issues?

General CUTLER. Well, may I divide my remarks into four parts? I have thought about this question and I have read some of the released testimony that has been given and so I know how interested you are in it. Of course, Mr. Mansfield and I have talked about this together.

Senator JACKSON. Mr. Lovett, I think, made this point and I think Dr. Perkins mentioned it.

General CUTLER. The first point is this: What will be satisfactory to the President? The way the Council runs is to satisfy the need that he has for this kind of advice. This is the acid test.

Secondly, focus on "overriding and critical issues." How do we decide, between the issues pressing on the President from all sides, which are the "critical and overriding"? Let me try to show you how difficult this would be for an imaginary special assistant who has charge of the Council's agenda. Is he going to decide which are the "critical and overriding issues"? Isn't this coming close to the "invisible Presidency" about which somebody wrote a book? Will it be said that the President's staff is shielding the President from some issues and putting others before him? Of course, your question did not mean to put it that way. But we live in such an invidious world, where harsh things are said of good men, that one has to think of the difficulties implicit in trying to limit the Council operation to what Mr. A judges to be "critical and overriding," a judgment as to which Mr. B might differ.

Just to illustrate. It so happens that the present administration has a very clear concept that there are twin pillars which support our national security—one pillar is what George Washington called the respectable posture of defense, and the other pillar is a strong national economy that will be able to finance our defense expenditures, provide things the civilian population wants, give help to our allies overseas, and not be inflationary.

These two pillars of our national security are in this administration's point of view of equal consequence. Now another administration might not think so. So another administration coming in would have quite a different judgment of what were the "overriding and critical" issues. I have heard people say sometimes that an administration "puts a dollar sign on defense." Well, in the period I served for 4 years, I never felt that way about what the Council was doing. I happen to believe in the two-pillar policy. I just don't think that you can, through the long run to which we are committed, win this struggle if you continue a long series of financial deficits and all that goes with that kind of policy. Therefore, when you come to "critical and overriding" issues, it depends on whether you have the gentleman sitting on this side of the table or the gentleman sitting on that side of the table who is to pick them out.

There is a cycle in the term of a President, particularly if he has two terms, which is very noticeable. I spoke of it before, but I don't think that Senator Muskie was present. In the early part of his first term, the incoming President is faced with 50 written policy statements approved by the prior administration. The new President has not agreed entirely with those policies. What is his first impulse? He will say "Are we going to keep on with these policies?" Then, of course, time is rolling on, events are happening, new situations are coming up; and all these have to be met by newly made policy decisions. Thus, the first 2 years of President Eisenhower's first term were extremely active Council years, because we were reviewing the old policies and revising them and we were also making new policies. When the second term began, the situation had begun to be different.

We already had our own policies approved in the first term and we did not have to make the same kind of review of them. We review all policies every year or so, but it is a different kind of a review, because you are reviewing that with which you are familiar and not that which was entirely new to you. Therefore, in this second term the President was able to do what he had long wished. He directed the Council's focus to be more on oral discussions of significant topics.

Now, this is a cycle that every President is going to face. A new President is different from a President who succeeds himself. A new President is going to feel just the way Mr. Eisenhower did, and he is going to look closely at the preexisting policies. This can't be done overnight. It takes a long time and a lot of effort. But a President can gradually achieve a situation, after a few years, where there will be much more time for the kind of a goal that you are seeking. That goal, it seems to me, would be this: As the cycle permits in the President's term, let us spend more time focusing on and discussing a smaller number of significant topics. I believe in this cycle.

After 13 years of Council operation, we have a written policy background, a continuity which is very valuable. Apparently this written continuity will continue, but its elements will have to be reviewed. However, eventually, in each cycle, there comes more time to be less busy with the formulation of written policy and more busy with discussion of a smaller number of significant issues.

I think this tendency will occur with most Presidents. That would be sound. But that is different from deciding which are the "most critical and overriding" issues.

Senator JACKSON. It just occurred to me that, because the NSC is at the summit in the executive branch, next to the President, and one of the "tools" that is available to him to advise him, there is a certain temptation to try to pump a lot of things into the NSC that must be avoided so that the big issues can be dealt with effectively and in time.

General CUTLER. Mr. Chairman, aren't we getting on dangerous ground here? On the one hand, it has been said in some circles that the President does not mind the store, that he delegates too much. Now you are asking if the NSC should not winnow all of this harvest and bring up to the President only the "big" issues.

It seems to me there is an antithesis between these points of view. You have to have a series of written out policies, geographical and functional and administrative. The Government is so big that it has to be run on the basis of something that is written out. But as you get it written out, and as you shake yourself loose from having done this, the act of current review doesn't take nearly as long as it did in the early stages. The Planning Board can review one of the policies it has previously worked on in perhaps two and one-half meetings and the Council can deal with maybe two or three of such reviews in one meeting. In the early days of an administration, this work would take much longer.

However, I agree, that as the presidential cycle permits, more time can be spent focusing attention and discussion on fewer significant subjects. I didn't say on significant subjects, but on fewer significant subjects.

Senator JACKSON. I realize that, and I think that we see alike. The problem is to be helpful to the President.

General CUTLER. That is the problem.

Senator JACKSON. The problem is to have matters presented to the President in such a way that he can, in consultation with the NSC, identify the areas that the Planning Board, for example, should prosecute with great diligence. There would be other areas of lesser priority.

It occurred to me that the NSC itself can be more effective if the agenda is such that it can concentrate on the things that can be identified as predictable of great trouble ahead, unless something is done to prepare for them.

General CUTLER. Sir, the waves of scientific discovery have beset us with all kinds of policy issues that neither you nor I dreamed about 15 years ago. The advance of science has increased the Council's workload. Sometimes we have been criticized because we did not tackle these matters soon enough. Things that looked at first about the size of a man's hand now look as big as a whale.

Senator JACKSON. You do have in the NSC the Secretary of State and the Secretary of Defense who can help identify the issues and assist the Council and the President in bringing up these points. My thought was that this should come up through the departments, naturally, and that the President's top cabinet advisers in the national security field, being present in the NSC, can assist in this process, too. I was not saying that just the Assistant to the President for National Security Affairs should take unto himself the selection.

General CUTLER. There is one more red light, to put in the path. When we first came to Washington our responsibility was quite novel, from the President on down. Therefore, we proceeded a little slowly. Not all areas of national security were originally deemed by the President to be suitable for this Council mechanism we were trying to develop. It was my effort constantly to get the President to put more and more areas into the Council rather than to decide them outside of the Council.

There is a Parkinson law involved in this aspect: If matters which belong within the Council's spectrum are decided outside of the Council's spectrum, there is a tendency for another department to feel that if one such matter wasn't before the Council why does a particular matter of that department have to come before the Council.

Gradually, this way, a great many matters may slide out. So I have been driving the sheep into the pen until they are pretty well all included now. I feel that the President likes the way the Council now operates, and he uses it a great deal, and he always comes and takes a lively interest in it. Naturally enough, I don't want to take a step now to open the gate and let a lot of those sheep slip out so they may be attended to outside the Council. Yet I do feel a great sympathy for the point of view we were just talking about; in the proper time of the Presidential cycle, trying to focus on fewer of the significant issues.

Senator JACKSON. Our minority counsel, Mr. Pendleton, has a question.

Mr. PENDLETON. In recent months there has been some discussion of the operation of the National Security Council, and about the role of the President himself. Would you elaborate with a bit of detail on the scene that takes place, the role of the President, in decision-making at the NSC?

General CUTLER. Well, as I told you, when I was there, out of 179 meetings, the President participated in all but 6. He vigorously participated. He almost always entered into debates and asked questions, ferreting out answers and listening with greatest interest, turning his head from one side to the other as they debated around him. He intervened at times to precipitate the decision.

His serious illness occurred during the year and a half when I was not special assistant. He did miss some meetings then. But I understand from Mr. Gray, the present special assistant, that the President has participated in more than 90 percent of all of the Council meetings held in his administration.

Those of you who know Dwight D. Eisenhower at all must know what an extraordinarily vigorous man he is. When he participates, he participates. He just doesn't sit. As I have said in my prepared statement, he is a frequent and vigorous participant in the discussions. The Council used to meet, in the first term, for 3 hours, because we had so much work to do. Now the meetings last 2 hours, 2½ hours, not as long as they used to be. The meetings are held customarily early in the morning, at 9 o'clock.

Mr. PENDLETON. Now when the final decision is made, is that by a vote? Does it occur at the same time, or the following day; just what occurs?

General CUTLER. It may occur in either of two ways. Both of them happen. As the argument goes on around the Council table, this member has talked twice, this one has talked three times, and other members have talked once. The disputed subject has really been hashed over. Some one has to bring about the decision. More often than not, this precipitating function is usually left to the special assistant. At the time when he thinks that a consensus has been arrived at, or that most of the people think one way, while he has been busily trying to make an appropriate pencil note as to what has been decided, you elevate your voice above the argument to say: "Mr. President, on this point I would understand that the consensus is about as follows."

Then, if there is no objection, in as small a waiting of time as possible to see whether anyone is going to talk any more, the special assistant moves on to the next point. There is a great deal of business to be done and no time to waste. If the President does not object, that means that this is all right with him. Sometimes he says "No, that isn't what he said," and then you have to carry on the debate further. Some points he will leave for decision until the special assistant brings the draft record of action to him. The Council meets usually on Thursdays. I used to take the draft record of action to him on Saturday morning and go over it with him. This interval would give us time to prepare and circulate the draft to give members a chance to ascertain if they thought it was correct.

Some of them might wish to correct the draft record of action. Then I would have to take to the President the draft record of action, as I drafted it, and also the Cabinet Ministers' comments. Thus, the members would have an opportunity for another hearing before the President. In such a case, the President frequently would get out his pencil and rewrite the decision the way he wanted it, instead of my way or someone else's way.

The President took that kind of an interest in the formal record of action. Of course, there also were more or less routine actions which were generally agreed upon. But he would go through the record of action and put his initials on it. When he did, that was it.

Mr. PENDLETON. By doing that, he was making the final decision?

General CUTLER. Oh, yes. No paper was ever sent out until he had OK'd it. He didn't always actually put "DDE" on each record of action. Sometimes I would write "DDE by RC" under his authority. These records of action, as approved, will be found in the records of the Council.

Mr. PENDLETON. Now, on the budgetmaking process, how has that been brought into the policymaking process on the NSC level?

General CUTLER. Well, it has been brought in a great deal more than when we started in 1953. This is a continuing effort, one of the things that I have talked to Mr. Mansfield about. One of my aspirations has been to bring the budgetary process more closely into the Council's mechanism. I think it was Mr. Lovett, or perhaps it was Dr. Perkins, who commented on the difficulty of doing this, for the Federal budget is wonderfully and fearfully made. The Government is working on three budgets all at the same time. That is a very hard task to get into proper focus.

Yet if I ever had to do this job again, one of the principal things that I would try to do again would be to bring into still closer relationship the budgetary operations. Especially, I think, this could be done in the early part of each budgetary cycle. The fiscal year 1962 budgetary cycle is starting now, the fiscal year budget that will be presented to Congress in January. The hen is sitting on the nest now and the egg will be gradually coming out during the next 7 months.

Now we want to get into the issues in the early part of the cycle. I don't mean we should or can deal with all of these figures, for that would be inconceivable for a body like the Council. But we could identify the big questions that are involved, and have them brought up before the Council. I think this would be a very wholesome thing.

I told Mr. Mansfield I would like to see this done. I tried to get such a thing put into operation just before I left. We tried to work out an arrangement on the way it could be done. I don't think it has worked as well as we hoped. That does not mean that it should not be tried.

Mr. PENDLETON. Has it been your experience that a policy decision made at the NSC has been replaced or modified by a budget decision outside of NSC?

General CUTLER. Well, now, let us remember something at this point. The budget of the Federal Government is a budget that covers all of the departments and agencies and offices. Half of these numerically are within the purview of the Cabinet and don't have anything to do with the NSC. Now, the policies for programs that have to do with the NSC—that is principally Defense, and State, Mutual Security, AEC stockpiling—are laid down by the NSC. The purpose of the budgetary process is to try to show the President where the Government is going to stand if it spends all of the money called for by the estimated programs. I don't know that I have ever known a particular policy that was negatived or thrown into discard because of a budgetary decision. What happens, as you run a bank

or run a store or run a college, is to decide how much money overall you are going to spend and then decide how much you are going to put in the different operating pockets. If you espouse the theory of national security which the present administration espouses—that there are two pillars to our defense over a period of the next 20 years, one, strong military posture, and two, a strong economy, capable of enduring through this long pull without inflation and without turning us into a garrison state, then someone has to sit down at some time and make a decision on the precise figures. Does the Council do this?

The Council is much more admitted into the budgetmaking process now than it was when we first came to Washington. But I don't think it would be realistic to say that the Council sits down and with paper and pencil works out the figures. But it is familiarized with the process as it goes on and it knows what is going on. The vast defense budget is exposed to the Council before any decision is taken on it, usually two or three times. This is an innovation, which some people did not care for because it wasn't done that way before.

I agree with what I think the chairman is suggesting, and what your questions are indicating, that a still closer relation between the budgetary cycle would be helpful if it could be effected. The closer the relation, the better off we would be, I think.

Mr. PENDLETON. Mr. Chairman, I think that the testimony of General Cutler here has been very helpful on a number of points. There was one other point that has been covered by Senator Javits, a member of the subcommittee, by an insertion in the Congressional Record. This was an exchange of correspondence with Mr. Lovett, an earlier witness before this committee. I would like to have you examine that and if permissible to have that inserted in the record at this point.

Senator JACKSON. Did Senator Javits ask that it be put in?

Mr. PENDLETON. No, he did not.

Senator JACKSON. I think that we will ask him. I have no objection, but I think that Senator Javits should make the request.

Mr. PENDLETON. That is fine.

(The insertion referred to follows:)

[Congressional Record, May 17, 1960]

STATEMENT OF HON. ROBERT LOVETT TO NATIONAL POLICY MACHINERY
SUBCOMMITTEE

Extension of remarks of Hon Jacob K. Javits of New York in the Senate of the United States, Tuesday, May 17, 1960

Mr. JAVITS. Mr. President, earlier in this session, Robert A. Lovett testified before the Subcommittee on National Policy Machinery, of which Senator Jackson is chairman, and of which I have the honor to be a member. This testimony attracted widespread interest and comment when it was subsequently released but a number of articles published subsequently interpreted certain comments of Mr. Lovett as being critical of President Eisenhower. In order to make clear that Mr. Lovett's testimony was both in word and intent directed at the institution of the Presidency and not at President Eisenhower personally, Senator Mundt, ranking Republican member of the subcommittee, wrote Mr. Lovett and received a reply making this intent completely clear.

I ask unanimous consent that the exchange of correspondence between Senator Mundt and Mr. Lovett, and an article on the subject by Arthur Krock printed in the New York Times of April 14, 1960, may be printed in the Appendix of the Record.

There being no objection, the letters and article were ordered to be printed in the Record, as follows:

MARCH 30, 1960.

Mr. ROBERT LOVETT,
Brown Bros., Harriman & Co.,
New York, N.Y.

DEAR MR. LOVETT: During March you graciously appeared as the leadoff witness before the Subcommittee on National Policy Machinery, of which I am a member. At the close of your appearance, the subcommittee went into executive session to receive your comments on the operations of the National Security Council.

Throughout your discussion of the NSC you referred to "the President." At the time it was my impression that you were analyzing the position of President. Subsequent published articles have been based on the assumption that you described the activities of the present incumbent of the Presidency, Dwight D. Eisenhower.

One of these articles was a column by Mr. Walter Lippmann on March 1. Several days later I attempted to clarify the matter through a statement for the Record. Attached is a copy.

Unfortunately my clarification statement seems to have clarified nothing. Your testimony still is being interpreted as applying to President Eisenhower. I would appreciate very much having a short note from you as to the meaning you intended to give the phrase "the President" in your executive testimony. I hope to insert it in the committee record.

Again may I say that your basic statement before our subcommittee was most interesting and pertinent. With kindest regards, I am,

Cordially yours,

KARL E. MUNDT,
U.S. Senator.

ROBERT A. LOVETT,
New York, N.Y., April 4, 1960.

Senator KARL E. MUNDT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUNDT: On my return to the office today from the Pacific coast, I found awaiting me your letter of March 31 requesting clarification of the meaning of certain language in my comments on the National Security Council given in executive session before the Subcommittee on National Policy Machinery.

You are correct in your understanding that my use of the expression "the President" meant "a President," or "any President," and not specifically the present incumbent. I have made this same answer to Gordon Gray, special assistant to the President, who made the same inquiry of me by telephone while I was in California.

You will recall that, in my opening statement, I said (last sentence, p. 12, of the subcommittee printed record, pt. 1) that "It should be clear, therefore, that none of these observations is intended to be critical of any individuals or of operational decisions." The few paragraphs I had written dealing with NSC were excised from my public statement and were given in executive session in accordance, I am informed, with the terms of an understanding reached at the request of the White House regarding the handling in executive session of questions on NSC matters. The sentence quoted above naturally applies, as you rightly understood, to all my testimony in both open and executive sessions.

In view of the public interest shown in the subcommittee's hearings, it is not surprising to find some agencies or individuals who feel that the shoe might fit. I know of no way to keep them from trying it on for size.

With my thanks for your kind letter and cordial personal regards, I am,

Very sincerely yours,

ROBERT A. LOVETT.

HOW TO MAKE A SHOE FIT ANY FOOT

(By Arthur Krock)

WASHINGTON, April 13.—Since Robert A. Lovett testified before Senator Jackson's subcommittee several weeks ago, the impression has been growing that he definitely subscribed to some of the harshest criticisms of President Eisenhower and the National Security Council in their mutual relationship. Some news dispatches and analyses of Lovett's testimony, and a Senate speech by Senator Fulbright, are important sources of this public understanding.

The chairman of the Foreign Relations Committee concluded that the former Secretary of Defense "indicated that the President (meaning Eisenhower) leads a dangerously sheltered life as Chief Executive." Also, that Lovett "said * * * the NSC protects Mr. Eisenhower from the debates that precede policy decisions."

The transcript of Lovett's testimony, both in open and executive session, does not establish either of these conclusions, or the assumptions in the press that when Lovett referred to "the" President, he always meant Eisenhower. What the transcript does establish is this:

1. At the outset of his testimony Lovett stated a caveat. It was that his remarks would be "based for the most part on notes made" during the Truman administration, and that he intended "no direct reference to any individuals or specific decisions."

2. But he did not regularly repeat this caveat. Therefore, when he answered, and agreed with, questions about "NSC procedures" and "the President," so phrased they could have been taken to apply to the Eisenhower tenure, it was possible to assume that the witness replied in kind.

3. But close inspection of the transcript shows that the former Secretary of Defense conceived he was discussing "a" President and the National Security Council as an institution, and he has since said as much. Apparently he relied on his opening caveat to prevent hypothetical exchanges in executive session from being interpreted as applying specifically to Eisenhower and the current procedures of the National Security Council.

QUESTIONS AND ANSWERS

The following are such exchanges:

MR. JACKSON. Do you think the Security Council can operate effectively, as it was designed originally, if you have a large number of participants?

MR. LOVETT. I would have very great doubts about its ability to operate in a mass atmosphere. I think it would inhibit fair discussion * * * [and] be an embarrassment as regards the vigor with which a man might want to defend his position. I think it would limit the quality of the debate which the President ought to hear.

MR. JACKSON. You do not necessarily lighten the load of the President by bringing to him agreed-upon papers where no decision is involved, other than to say, "We will go ahead with this." Don't you think there is confusion on the point that there is a tendency to help the President, to lighten his load, by trying to do his constitutional work for him?

MR. LOVETT. I think the President in his own protection must insist on being informed and not merely protected by his aides [it being] a tendency of younger assistant * * * to try to keep the bothersome problems away from the senior's desk.

Probably it was because the witness did not steadily invoke his caveat, like takers of the fifth amendment before racket inquiries, that many concluded Lovett had conceded the points of criticism involved as currently applicable. But if he fears that President Eisenhower's temperament, his military preference for having issues intensely screened for him, and his awesome renown, inevitably have diluted the essential concept and function of the National Security Council in this administration, Lovett neither "said" nor "indicated" this. And the National Security Council's statistical record—of the President in the chair at 90 percent of the National Security Council meetings, sharp debates in his presence over fundamental differences in policy papers—refutes many assumptions on which major criticisms are founded.

Senator MUSKIE. I do not think really that I could ask any questions now that would cover the discussion of our subject any more pointedly or specifically than it has been covered in General Cutler's testimony.

I know that within our guidelines we are not permitted to inquire into matters of substance. It seems to me that it is in this area that our next concern would lie if we were permitted to ask questions. We would be interested, of course, in the extent to which the important questions rise to the policymaking level. We would be interested in the extent to which, and the manner in which, priorities are assigned to important policy matters, as disclosed by our long-range security interests.

We would be interested in illustrations of the manner in which, the effectiveness of which, and the speed with which newly announced or revised policies are implemented at the operating levels of government.

General CUTLER. I appreciate what you say. There is one point that you mentioned that would not be inappropriate to speak of. You spoke about the element of speed in the transmission of decisions.

It is sometimes said that the Council is not designed for rapid action. I think it is hard for a body like the Council to act with rapidity. And yet, during my experience, I can remember three instances where (with a very short time to prepare material for the Council) because of intervening events the Council acted very quickly. The Planning Board had to work under great pressure, in some of these cases day and night, in order to produce some very much shorter papers than I would have ever preferred to have the Council act on.

Yet I have seen the Council take action within 2 or 3 days in matters of extreme emergency. It can be done if it is the President's wish to carry an urgent matter through the mechanism and not decide it otherwise. It is difficult to get enough information and put it together, and have it presented and studied and come to a decision, but it can be done. To say that the Council is so slow and ponderous, it can't act quickly, goes too far. I think perhaps it would be fairer to say it isn't the most apt mechanism for quick action, but if quick action is required I have seen it act in 3 or 4 days. Where it acted with great rapidity, its policies were implemented very, very quickly.

Senator MUSKIE. Would you permit me to risk another question since you have been kind enough to volunteer the comment on this?

General CUTLER. I was talking about the question of speed in the transmission of policies into action.

Senator MUSKIE. Let me try to ask this general question, which may have a specific application in your mind and mine, but I would like to risk the question anyway.

If in the implementation of a major policy by an operating agency the result in a specific instance is an incident which has an important impact upon our world position in the eyes of the other nations, is the machinery of the National Security Council so set up as to permit it to take action with respect to (1) the handling of the immediate reaction of the U.S. Government to this incident and (2) revision of national policy or of the national policy which resulted in the incident?

General CUTLER. If the President of the United States were to decide that he wished to convene the Council to advise him on any matter that affected the national security, he could do it. The Council could be assembled and it could consider the matter, and it could advise the President and he could take its advice or not take it, as he saw fit.

Senator MUSKIE. Is the relationship between the President and the National Security Council such that it would be one of his first inclinations to initiate such a consultation?

General CUTLER. Well, the President has used the Council a great deal. He likes this mechanism. But he may choose other mechanisms or he may choose to decide it himself or in concert with some of his trusted advisers. It really is what the President decides he wants to do, I think. When I was special assistant, I suppose that I saw the President four times a week, and we were in constant communication with each other.

The relationship between the President and the Council through his special assistant is very close. It has to be so.

Senator MUSKIE. Although this is not an operating agency, as you have made very clear, at the same time it is an instrument that a President might conceivably use as frequently as he might an operating agency to serve different purposes. Is this one of his favorite instruments?

General CUTLER. It is a policymaking instrument. It deals with questions of policy and it wouldn't deal with operations or programs.

Senator MUSKIE. A President in a given day concerns himself sometimes with operations and sometimes with policymaking, and at times with tomorrow and long-range, and sometimes with yesterday. In connection with policymaking and in connection with the relationship of policy to the day-to-day events, is it the President's inclination to reach for the National Security Council as one of the first instruments he uses to help him?

I ask the question simply to get some impression of whether the National Security Council is so flexible an instrument and so easy an instrument to use that the President almost spontaneously and as a first thought reaches for it, when he runs into a problem in the area in which the National Security Council concerns itself.

General CUTLER. I would think that the President, or this President, would use the National Security Council as a convenient mechanism in arriving at policy decisions. It meets every week. Sometimes it meets twice a week. I don't think that I ever knew of it meeting more frequently than twice a week. But it is a form of obtaining advice on matters of national security which is very convenient. People are accustomed to it and they have been doing it for 7 years now, meeting together and discussing things. The Council is no longer a lot of strangers meeting. I think the President considers the National Security Council a very useful mechanism. Yes; I do.

If he does not, I certainly wasted a lot of my life in serving him in connection with it.

Senator JACKSON. Thank you, Senator Muskie, and General Cutler, once again, I want to express my appreciation to you in behalf of the committee for coming here this afternoon. I have a lot more questions but due to the lateness of the hour and another witness waiting, I think that we will terminate now unless there happens to be any other comments.

Senator MUSKIE. I would like to express my appreciation also.

General CUTLER. I think the witness should be allowed to express his appreciation to the subcommittee. This is the seventh different congressional committee I have appeared before, and I have never been treated with more consideration.

Senator JACKSON. Your approach to this entire matter, I think, accounts for that, and we are grateful to you for your help. Thank you.

Mr. Dillon Anderson, our second witness today, served as Special Assistant to the President for National Security Affairs in 1955 and 1956. He was a member of our delegation to the Geneva Summit Conference in 1955. Since his return to the practice of law in Houston, he has served as a consultant to the National Security Council.

Mr. Anderson, because of your experience with the National Security Council, we are particularly pleased that you could be with us today and give us the benefit of your counsel.

I take it that you do not have a prepared statement, but you may proceed in any way that you see fit. If you desire to make an opening statement, then we will ask some questions.

STATEMENT OF DILLON ANDERSON, FORMERLY SPECIAL ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

Mr. ANDERSON. Thank you, Senator.

I began my acquaintance with the National Security Council and its functioning under President Eisenhower in March of 1953 as one of seven civilian consultants who were brought in, in the early days of his administration, exposed to rather intensive briefings in the several departments, and then invited to sit with the Council in some rather lengthy meetings that were held in those days.

Then and thereafter, for particular matters, I came in as one of smaller groups, as a civilian consultant to deal with particular subjects. Then, as you have indicated, I came full time for some 2 years or a little less and succeeded General Cutler, who, in turn, succeeded me when I went back to Texas in 1956.

Since that time I have come back in the capacity of consultant from time to time, and I am at the present time a consultant subject to call without compensation.

These exposures represent such qualifications as I might have to be of any assistance to this subcommittee. I hope that I can be.

I come pursuant to an invitation of the chairman of the subcommittee, voluntarily and in the hope that as to any questions that remain in your minds about our procedures after having heard General Cutler fully this afternoon, I can help deal with them.

I do not have a prepared statement, and I think perhaps some explanation of that may be in order. I was in Washington in another connection, and you were good enough to let me fit this appearance in with my being here to attend the annual meeting of the American Law Institute.

Senator JACKSON. I hasten to add it is not necessary to have a prepared statement.

Mr. ANDERSON. I come emptyhanded except in this one respect: When I learned that I would be appearing I got in touch with General Cutler and I learned that he planned to prepare a statement and submit it. He showed it to me in draft, and I went over it with him and I had a few suggestions to make, mostly by way of amplification of aspects of it where I thought an additional explanation or word might

be in order, and I can say, if it will be a helpful predicate for my further statements or for the questions, that I concur in his statement as to the methods and techniques that were employed in the Council mechanism during the time I was there.

So I would like simply to adopt that statement.

This committee has been kind enough to include my article in the *Atlantic Monthly* in your printed document, "Selected Materials," and if I can use those as statements, I would be glad to answer questions.

Senator JACKSON. That is very good. The first question I wanted to ask is this: Do you feel it desirable for the NSC to concentrate its energies on a relatively small number of critical or key issues as opposed to getting into a large quantity of issues that are of less significance?

Mr. ANDERSON. I do.

Senator JACKSON. Otherwise the mechanism itself will not be used to its full advantage. There is always a danger, is there not, that with an important advisory body such as the NSC, people will want to introduce issues that may be their own pets, so to speak, and obtain the NSC blessing?

Mr. ANDERSON. I think this is responsive to say that a highly selective process would be the key to success of such a mechanism. These Cabinet ministers and other participants in the NSC deliberations are very busy men. The time that can be given to each duty is limited, and if you fill the NSC with a plethora of all sorts of things it would dilute the time that would be required for the vital and essential and important policy decisions.

Is that responsive to your question?

Senator JACKSON. Yes.

Did you find during the time that you served, and since if you served as a consultant and if you know, that the present setup of the NSC is such that they have the necessary means of identifying the critical issues and taking action on them in time?

Mr. ANDERSON. This is an important part of the work that falls upon the President for whose benefit this function takes place in the exercise of his constitutional responsibilities. It is an important part of the service of the special assistant, to assist him in the formulation of the agenda of these meetings.

I am compelled to say I don't think of any techniques or organizational procedures that I would suggest better to do the job, although I am certainly not prepared to say that there might not be a way in which it might not be improved.

Senator JACKSON. But you certainly recognize, I take it, the importance of concentrating on the significant and the big issues.

Mr. ANDERSON. I do believe in that, and I believe it is essential.

Senator JACKSON. If it concentrates on the big issues the NSC will be plenty busy regardless of the less significant ones.

Mr. ANDERSON. I would certainly agree to that.

Senator JACKSON. Now, inasmuch as several of the Cabinet officers serve on the NSC, I wanted to ask this question:

Did you find it possible for the Cabinet officers to come in properly informed on the matter that would be on the agenda, or would they have to rely on their assistants to really get into the discussion, shall we say?

Mr. ANDERSON. I don't think that those two things are mutually exclusive, Senator. I am sure that in their preparation for the meetings they did rely upon these assistants, although these are things that took place within the departments.

Senator JACKSON. I don't mean that. Naturally it is impossible to know everything that is going on unless you are properly advised within your own department, but when they came to the NSC were they well prepared? I ask this question without regard to what administration it is. It is our system of government which is so complex. Do you think that it is possible for Cabinet officers, with all of the responsibilities they have within their own departments, to come to the NSC table and really have the necessary information themselves?

Mr. ANDERSON. Do I think it is possible for them to be advised on the subjects that are coming up?

Senator JACKSON. Yes. And did you find that they were adequately briefed when they would come in?

Mr. ANDERSON. Well, this calls for a recollection, of course, of particular meetings and particular participants in Council affairs, during the time I was participating in those meetings as the President's special assistant.

I don't want to comment on whether it is possible or practicable for these Cabinet participants to do all of their other duties and, at the same time, become apprised of the issues that were before the Council at its meetings for their discussion where the President would have a decision to make.

I had the impression that the system that we used was working. Let me elaborate. In the development of a Council paper, looking toward its being dealt with on the agenda on a certain future date, 2 or 3 or 4 weeks hence, we depended, as the papers matured toward that point of action, upon there being some reflection by the Planning Board member—the Assistant-Secretary-level fellow who sat in our meetings—of the viewpoint of his principal. We depended upon his drawing from his chief his views, particularly where there were issues that that would have to be resolved. We knew they would have to be decided by the President in the Council itself.

I will put it this way: I think it is essential for it to work, for the man who represents his Secretary on the Planning Board to be able to reflect roughly his views on the issues as they emerge in these discussions, in the Planning Board first. I think it worked.

Senator JACKSON. At least you don't have any suggestions as to change in procedures or briefing and so on before a Cabinet officer comes to the Council meeting? For your purpose I assume that you have to rely on the information being given to him within the department and his representative on the Planning Board.

Mr. ANDERSON. Yes.

Senator JACKSON. I have been concerned with any thoughts that you might have to make improvements in this area so that the Cabinet member could participate as effectively as possible by having maximum understanding of a given subject at the time of the Council meeting.

Mr. ANDERSON. Well, I don't think of anything that in the form of legislation would reach into the departments and cause that process to be improved.

Senator JACKSON. I did not particularly have in mind legislation.

Mr. ANDERSON. I assume that that is one possibility. I don't think of anything by way of legislation that would reach into the departments and improve that process or bring closer the man who speaks for his principal in the Planning Board, and the man who later, as the member of the Council, expresses the views of that department. Of course, I suppose in any administration there will be perhaps a closer relation between the Planning Board representative and his principal in one department, and not so close in another. There it depends on the people who are administering this thing.

By and large, I thought in my time it worked. We had a pretty sound indication in Planning Board sessions of the ultimate views to be taken by the Council member when he came into the Council. It is essential to have that indication, I think, for it to work smoothly.

Senator JACKSON. Now, if I might turn to this question of the relation of the budgetary process to the functioning of the NSC, there has been some expression of opinion in the past that the NSC process and the budgetary process operate in separate areas. In other words, there is the feeling that the NSC may agree to a certain program or a certain policy and then it could be vetoed by the budgetary process. Do you think that there is anything that can or should be done to more closely relate the NSC process to the budgetary process?

Mr. ANDERSON. Well, during the time of my acquaintance with this work we undertook by specific procedures to facilitate these processes. I think it became clear that the adoption of a policy, in relation to an area or to a country or to a subject, could better be digested if some indication accompanied the proposed policy of what it would cost.

Senator JACKSON. A price tag, you mean, of course.

Mr. ANDERSON. Yes, even though it could be no more than order-of-magnitude figures. We thought that that facilitated the performance of the policy formulation and the budgetary process, both of which of course do take place in the same White House.

Senator JACKSON. Did you run into situations where you had important NSC undertakings that had been approved by the President for implementation, and then the budgetary process ran counter to them or you had difficulty getting budgetary approval, or you had difficulty getting a given project funded?

Mr. ANDERSON. No; I don't have in mind a specific case of that.

We were mindful, of course, as these policy papers matured that many of them had budgetary implications just beneath the surface. And we assumed—and I believe it to be true—that in the settling of the budget, within the President's Office, these policy papers were taken into account. But it was what I would call a parallel function, and each had its relation to the other, but with the President presiding over the Council and making the Council decisions in this area, and the Director of the Bureau of the Budget carrying out the other function for the President.

We assumed that they were coordinated, and I think that they were, and I can't say that I know of one where a particular policy was frustrated by budgetary decisions.

Senator JACKSON. Can I put it another way:

When a given NSC policy was agreed upon and all of the appropriate action taken so that it became definite policy, could the Bureau

of the Budget or any particular part of the budgetary process negate that? When the NSC policy was agreed upon with the President and approved by the President, was this tantamount to a directive to the Bureau of the Budget that this program would go forward and was indeed a part of the President's program?

Do I make myself clear?

Mr. ANDERSON. You do. And you used the expression "approved by the President," which might mean that it was served up.

The President does the deciding. So to clear up that point might be helpful.

Senator JACKSON. After there had been debate and discussion and the matter was worked out and he made his decision, and then the papers were prepared and he approves the decision as written down?

Mr. ANDERSON. He approves the paper which reflects his decision on that matter.

Senator JACKSON. When that occurred did that automatically signal the Bureau of the Budget that this program was now to be carried out financially? Or do the Departments that are carrying out a given policy—let us say it is Defense—have to go through a long hassle with the Bureau of the Budget to get the money or to get the appropriate recommendation to the Congress?

Mr. ANDERSON. Well, I would assume so, of course, because in the first place the decision in the Council is not a decision by the Bureau or the Director. But the Director of the Bureau of the Budget is there in Council meetings and he knows of action taken there. The Bureau of the Budget is always represented by its Director in the Council.

Senator JACKSON. Does the directive go to the Director of the Bureau of the Budget at the time——

Mr. ANDERSON. No.

Senator JACKSON (continuing). That the policy is approved by the President?

Mr. ANDERSON. No, the directives emanating from the Council do not go there for implementation.

Senator JACKSON. But, once approved by the President, the Bureau of the Budget is advised at that time?

Mr. ANDERSON. The record of action he gets immediately after approval by the President.

Senator JACKSON. The President's decision?

Mr. ANDERSON. It goes to every member of the Council.

Senator JACKSON. But the Director of the Bureau of the Budget is not a member of the Council?

Mr. ANDERSON. It goes to every participant, and it goes to him as well as to others.

Senator JACKSON. It is assumed that he is to carry that out.

Mr. ANDERSON. Although this doesn't mean that the Council substitutes for the Bureau of the Budget, but there is knowledge and consistency there between the President's action and these two particular contexts.

Senator JACKSON. Did you feel that the NSC had sufficient authority by directive and otherwise to coordinate with the departments involved in critical undertakings so that when something did happen they could avoid the danger of a department going off on its own

unilaterally without the information being brought up to the top level so that it would be available when and if the President wanted the advice of the NSC?

Mr. ANDERSON. It sounds as if you are talking more about the function of the OCB.

Senator JACKSON. When I mention the NSC I am referring to the subordinate agencies, and the OCB as a part of the NSC.

Mr. ANDERSON. It is a part of the structure like the planning board is; it is a part of the supporting structure, the OCB.

Your question again is what?

Senator JACKSON. The question is as to the NSC-OCB structure during the time you served. Did you feel that they had adequate authority to coordinate with the departments matters relating to critical and important undertakings so as to avoid the danger, in the event of some situation arising, that a given department might go off on its own, so to speak, unilaterally without having this important information or development brought up through the NSC structure as rapidly as possible so that the NSC or OCB complex would be in a position to advise the President without delay should he desire the advice?

Mr. ANDERSON. Well, the critical part of that question, as I understand it, is whether there was adequately authority to insure that these things that you have described would or would not happen.

Of course, there is adequate authority, and it is in the President. There is full authority, and that is in the President.

Senator JACKSON. Were there adequate directives from the President to make it possible for you to carry it out? I realize the President constitutionally has the authority.

Mr. ANDERSON. There reposes the full authority.

The thing, I think, where we are not quite in gear between what you are asking about and what I am thinking, is that the President's action, whether through the directives that are called NSC directives (i.e. through the Council) or otherwise, is always the action of the President. The Council is there to assist him, and the OCB is there to assist him in coordination of the things that are done by the departments, to carry out the policy directives.

Now that may not be a very satisfactory answer.

Senator JACKSON. Your answer is in the affirmative, I take it from what you say, that there was that coordination.

Mr. ANDERSON. Well, I think I would prefer to state it as I did, as I understood your question.

Senator MUSKIE. Let me ask you this:

The effectiveness of these procedures has a bearing, I suppose, in part, on the comprehensiveness of the considerations that the National Security Council takes. I am a little curious as to how comprehensive these policy discussions are. I suppose that geographically you cover the globe.

How comprehensive are they militarily? Do you get into the details of weapons systems and the size of the Army and the National Guard, and do you get down into the question of the extent of conventional weapons and their modernization, and do you get into that kind of detail in your considerations of security?

Mr. ANDERSON. I think that the best answer to that can be made by backing up a little bit and saying that there are always these two

considerations: one is the desire to keep the size of the subjects down, as Senator Jackson pointed out in the beginning, to those which are essential. Those are essential policy matters. On the other hand, there is the need to try to cover those points which could involve policy but which might not at first blush appear to involve major policy issues.

The identification of subjects which do obviously or might possibly involve major policy is quite a task and function within the operation of the Council mechanism. As Senator Jackson pointed out, if you have a plethora of subjects through the Council with a great number of papers, then you would dilute the time and the energies and the attention of these busy people. So the object always is to strike somewhere a happy medium and to include the major ones but not to cover the waterfront.

Senator MUSKIE. I would suppose that geographical areas within which the Soviet Union might be tempted to play with nuclear blackmail, so-called, would be an important security problem. Involved in possible solutions of this problem are weapons systems, particularly the emphasis that should be placed upon conventional weapons or tactical nuclear weapons, the size of conventional service forces and the size of the Army and so on.

Here you have a combination of a very difficult security problem and the means necessary to cope with it. Does the Council deal with such a problem across such a range?

Mr. ANDERSON. Well, you have talked about geographical areas and you have talked about weapons systems.

Senator MUSKIE. In particular, geographical areas where the nuclear blackmail problem is likely to exist.

Mr. ANDERSON. I think it is only fair to say that you couldn't have papers relating to every country in the world, with the fragmentation of countries, and you might take up all of your time on countries. There are other subjects involving major national security policy that might go begging.

The development of the Council subjects has in some instances, where there is a critical country, related to a particular country. In some instances it relates to a whole geographical area where there would be a great deal in common from our viewpoint as we see it between the several countries, and one viewpoint generally from our standpoint would be virtually the same as to several countries.

There are papers which involve particular subjects without regard to geography. Bear in mind that the national security in all of its phases includes, for example, internal security as well as external security. So, in these fields, it is necessary that there be developed, from time to time if conditions warrant it, change in our stance or our attitude of policy toward these matters.

The spectrum of national security being a wide one, the best way to tackle it appears to be to recognize issues and alternatives in relation to areas, countries, and subjects.

So, roughly, it is broken down in that way. Obviously, some types of weapons developments in such a world as we occupy now involve major expenditures and major decisions, and in some instances, let us say, elimination of other approaches to weapons. Where they do reach this magnitude, then there is a recognizable policy decision that

emerges, and proposals come to the Council from the heads of the several departments for policy decisions in these respects.

This is one of the most prolific sources of policy proposals to the Council which originate in various ways, but which perhaps has its most prolific source in the departments.

Senator MUSKIE. Let me ask you this question:

For example, a controversial policy decision in this area is the reduction in the Army and in the National Guard, as to which the President and some in the Congress have taken different points of view. Is this a policy decision which might have been considered by the National Security Council?

Mr. ANDERSON. Well, isn't this getting into substantive matters, the size of the National Guard?

Senator MUSKIE. Well, I tried to stay away from that.

Mr. ANDERSON. I feel awkward in talking about it.

I think it might be helpful to say that whether it involved the National Guard or whether it involved something in the field of weapons systems or otherwise, whether it involved an administration proposal to the Congress and in the judgment of the President it was a matter with major effect upon our national security posture, it would not come to the Congress until it had had the treatment that he gets from the subject by the discussion back and forth among the members of the Council.

Senator MUSKIE. That is fine and that answers my question. I would like to follow it up with one more, to get a broader picture.

This business of nuclear blackmail, it seems to me, involves such questions as the size of the Army, the size of the National Guard, the extent to which we should modernize conventional weapons, and so on, and then it seems to me that it also involves the question of suspension of nuclear tests, because in this area of nuclear blackmail you certainly have to give consideration to the possibility of using tactical nuclear weapons instead of the long-range strategic weapons.

So there are many pieces to this one policy problem. The question that I am asking is whether or not this total problem in all of these aspects is considered in these policy papers and by the Council at one time. I am using this simply for purposes of illustration and not to get any information as to what the Council may have done with respect to this particular problem.

Mr. ANDERSON. Senator, I think that I can answer you in two ways, and both I think are responsive to the question.

Obviously, not at every meeting of the Council could there be a consideration of all of these things, because there are other subjects that are quite weighty which come to the Council which maybe involve none of these things. But where you feel that they are interrelated—and that, I take it, is your point—and you feel they are interrelated, and you have named several specific substantive matters, then certainly, if I were there today, I would recommend to the President that the interrelated aspects which you have described would be very rich material, ripe material for consideration in a Council paper. There he would have the benefit of the departments' judgments first in the crucible of the Planning Board before a paper came to him, which may or may not involve splits or differences between the departments, all of which are argued out vigorously before he makes his decision.

If you are coming to an important aspect of it, there is the inclusion on the agenda of the Council not only of particular subjects but the relation between several which should be considered together.

I think that we are staying within the guidelines and you are not getting into substantive matters, and I said to you I don't know all of the subjects that have been considered by the Council, and I have only dealt with the ones where I have been called in in recent years. But, if I were recommending today to the President, I would recommend that things that are so interrelated as you have just discussed would be considered together.

Senator MUSKIE. I asked the question because, as I understand the procedure, ideas are more likely to come from within departments and, from them, through the Planning Board to the Security Council. I wondered whether this procedure resulted in a fragmentation of problems rather than a tendency to interrelate them.

Mr. ANDERSON. I think that is a good question, and I can see how, viewed objectively, this possibility would occur to you.

Once each year, as you know, the whole ball of wax is dealt with; though this is not the only technique by which these possibly conflicting avenues might be brought out on the table. But once a year there is a basic paper which gets long and elaborate treatment.

I don't believe that fragmentation, that is the focusing, as I understand it, on one thing to the exclusion of something that might be inconsistent that is coming up next week—I don't believe that such fragmentation occurs. I don't think it is a weakness of the mechanism.

This would presume that only the department which brought a paper or a proposed paper to the Council would be heard that day. This is not the case. When they meet they are all there. What was done last week or the week before or last year, if these are alert people and I think they are, people who come in each administration to the top of these departments, I don't think that it is consistent with the even running of a department that you would go off this way today, and next week go off that way.

Certainly, if there is an inconsistency, it would disclose itself, and quickly.

Senator MUSKIE. To what extent are these policy papers, which are prepared by the Planning Board, revised by the Council and by the President? To what extent is there a pattern, not of automatic approval but a pattern of approval of policy papers prepared by the Planning Board?

Mr. ANDERSON. Very substantially where there are issues that develop, there are some portions of the papers which are necessary for a rounded document but which do not involve alternative issues, or, rather, they state some things which are self-evident.

Senator MUSKIE. They are either accepted or rejected?

Mr. ANDERSON. I am talking about some portions of the paper which are obvious but included because a rounded paper would not be rounded out without them. But when issues arise, if the special assistant and the Planning Board do a job that is good, in the rather lengthy sessions that we have had three times a week, we will identify and try to reduce to its simplest terms what the basic issue is.

Sometimes the issues which appear to be true issues become illusory on exploration between the departments, but where there is a basic disagreement between the departments as to what alternatives should be adopted, then we undertake to define that in what we call a split paper. There may be two views and there may be three views, and if we do our work well in the Planning Board, then the special assistant goes to the President, which, as you know, is a part of our function, to bring to his attention what is coming up at the forthcoming meeting. Then he will be apprised in advance of what the issue will be. Then the advocacy of the several department heads of their particular viewpoint, as to what our policy should be, is considered quite vigorously. At the end of this process, unless there are some questions where the answers are not forthcoming—in which event somebody has not done his homework—and the special assistant has failed maybe in his responsibility to brief the President, or if a question is raised by the President for which there is not an answer—then that would have to go back, and the paper would have to come off the agenda. I must say that that happens pretty infrequently because I think that the Planning Board job that is being done or was being done and started by General Cutler was a thorough job.

But at the end of these exchanges by the Council members it is up to the President to make his decision.

Senator MUSKIE. Recognizing that the decision is, of course, the President's, the policy that ultimately emerges has been pretty well framed by the Planning Board before it is presented to the National Security Council?

Mr. ANDERSON. I am saying that the Planning Board has identified the several alternatives and has identified the areas of disagreement, and from those several alternatives the President decides which one will be followed.

Senator MUSKIE. Well, does the Planning Board recommend as between alternatives?

Mr. ANDERSON. No.

Senator MUSKIE. It just presents alternatives.

Mr. ANDERSON. That is right.

Senator MUSKIE. I have one further question, and, although I am tempted to continue, I will desist with this one unless your answer suggests a couple of others to follow up.

Are the policies which channel through the National Security Council the policies which actually control our activities in the security field?

Mr. ANDERSON. I would say "yes" to that.

Senator MUSKIE. Is that completely?

Mr. ANDERSON. Well, the effort, I am sure, is to identify those policies which affect our national security. The effort is made to bring them to decision in the presence of the Council. That is the objective. That I understand to be the spirit and meaning of the act. And the extent to which there is saturation dealing with these matters of the Council depends upon the will and the methods of the particular President who has this great responsibility under the Constitution. During the time I saw it I would say that it seemed to me to be pretty close to saturation covering those important matters that affect our national security.

My impression from the history of it and from the knowledge, from reading as to the way it was used, it was not used as intensively or as comprehensively prior to President Eisenhower's inauguration as the system which is now in operation.

Senator MUSKIE. I think that that is all, Mr. Chairman.

Mr. PENDLETON. I have one question, Mr. Anderson.

You indicated that you favored the operation of the NSC on the basis of a limited agenda or a small number of issues. Do you feel that the NSC made progress in that direction during the time you were working with it?

Mr. ANDERSON. Yes.

Senator JACKSON. Thank you very much, Mr. Anderson. We are very grateful to you for taking some time out in your busy schedule to come up and give us the benefit of your views growing out of your service as a Special Assistant to the President for National Security Affairs, and also as a consultant to the National Security Council.

Mr. ANDERSON. I am grateful to you for giving me the opportunity to speak before you, and thank you very much.

Senator JACKSON. Thank you.

We will adjourn at this time.

(Whereupon, at 6:20 p.m., the committee adjourned.)

×

REPORT FOR NATIONAL COMMISSION
ON CRIMINAL JUSTICE SYSTEM
FRAMING OF FACTS AND EVIDENCE

REPORT

REPORT

REPORT

NATIONAL POLICE BUREAU

REPORT

COMMITTEE ON

GOVERNMENT OF THE

UNITED STATES

REPORT

REPORT

REPORT

PART

REPORT

Report for the use of the Committee on Governmental Affairs



UNITED STATES

DEPARTMENT OF JUSTICE

WASHINGTON, D. C.

L.V.S. Congress. Senate

**ORGANIZING FOR NATIONAL SECURITY;
THE NATIONAL SECURITY COUNCIL AND THE
DEPARTMENTS OF STATE AND DEFENSE**

HEARINGS
- 5 - BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY...
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS
SECOND SESSION

DOCUMENTS DEPARTMENT
UNIVERSITY OF CALIFORNIA

JUNE 2, 6, 10, 13, AND 14, 1960

PART V

Printed for the use of the Committee on Government Operations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1960

COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, JR., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

BREWSTER C. DENNY, *Professional Staff Member*

HOWARD E. HAUGERUD, *Professional Staff Member*

EDMUND E. PENDLETON, Jr., *Minority Counsel*

CONTENTS

JUNE 2, 1960

	Page
Opening statement, Senator Henry M. Jackson.....	619
Testimony of Averell Harriman.....	621

JUNE 6, 1960

Opening statement, Senator Henry M. Jackson.....	665
Executive session testimony of Adm. Arthur W. Radford.....	666

JUNE 10, 1960

Opening statement, Senator Henry M. Jackson.....	695
Testimony of Christian A. Herter, Secretary of State.....	696
Executive session testimony of Secretary Herter.....	721

JUNE 13, 1960

Opening statement, Senator Henry M. Jackson.....	727
Testimony of Thomas S. Gates, Jr., Secretary of Defense.....	728
Executive session testimony of Secretary Gates.....	759

JUNE 14, 1960

Opening statement, Senator Henry M. Jackson.....	767
Testimony of Gen. Maxwell D. Taylor, U.S. Army.....	768
Executive session testimony of General Taylor.....	787

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

THURSDAY, JUNE 2, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met at 10:05 a.m., pursuant to call, in room 4200, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Humphrey, Mundt, and Javits.

Also present: Senators Robertson and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster C. Denny, and Richard S. Page, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The committee will come to order.

The Subcommittee on National Policy Machinery continues today its hearings on the critical problems of policymaking at the highest level, including the National Security Council and the coordination between the Departments of State and Defense.

Our purpose continues to be, first, to determine the adequacy of the machinery for policymaking and policy planning in the vital and indivisible fields of national defense and foreign policy; second, to assess the effectiveness of the means available to the executive branch for coordination of policy implementation; and third, to make constructive recommendations for improvement.

The committee last week heard testimony from George F. Kennan, former Ambassador to the Soviet Union and first director of the State Department Policy Planning Staff.

In the weeks ahead the committee will continue to examine these important problems of high-level policy formulation and coordination. Among the witnesses who have agreed to appear in the next 2 weeks are the Secretary of State, Mr. Herter, and the Secretary of Defense, Mr. Gates.

Public attention, since the failure of the summit, has been centered upon more than the causes and consequences of that failure. Recent events have also focused attention upon procedures for policy determination and execution throughout the complex structure of departments and agencies concerned with the national security program. There has also been increased interest in coordination of policy between the United States and its allies.

Our witness today has had a long and varied experience in the development of U.S. foreign policy with respect to our relations with our allies, with the Soviet Union, and in the foreign aid field.

The subcommittee is, indeed, pleased to welcome here today former Gov. W. Averell Harriman. Governor Harriman had the unique experience of serving as U.S. Ambassador to both the Soviet Union and Great Britain. In addition to serving in these two diplomatic posts, he was from 1946 to 1953 Secretary of Commerce, head of the Marshall plan in Europe, special assistant to the President, and Director of the Mutual Security Agency program. He was Governor of New York from 1955 to 1959.

As is known, we have agreed with the President that testimony by present or former Government officials who served on the National Security Council or its subordinate bodies regarding the Council and the subordinate machinery will be taken first in executive session.

Governor, I believe you have received a copy of the guidelines in that regard.

We are most pleased to have you with us today and to welcome you to this committee. I believe you have a prepared statement. You may, therefore, proceed in your own way.

Senator JAVITS. Mr. Chairman, before the Governor proceeds, may I say a word?

Senator JACKSON. Certainly.

Senator JAVITS. I, too, would like to welcome the former Governor of my State with whom I served as attorney general when he was Governor—I was his lawyer—and with whom I had a very happy relationship, personally, though we may not have agreed politically. I am glad that he is here today. I am sure he can make a contribution to this very important subject.

I might say, too, Mr. Chairman, that if there is any failure demonstrated by recent events I think it is the failure in the proper machinery of our Government to meet a modern, streamlined struggle between the two superpowers, and, therefore, I believe that what this committee is doing under the most able and distinguished chairmanship of Senator Jackson may well prove to be the biggest benefit that we get out of the difficulties we have had, because difficulties are most important with a great country like our own when they teach us how to do our job of peace leadership better.

I, too, am glad to have Governor Harriman here.

Thank you, Mr. Chairman, for allowing me this brief statement.

Senator JACKSON. Thank you, Senator Javits.

We on this committee, of course, have been concerned now for almost a year since our studies were undertaken to really get at what I think is the heart of our problem; namely, the adequacy of our machinery and coordination of that machinery effectively to carry out policy. The U-2 affair is merely, as far as we are concerned, an incident in this problem.

We hope that as a result of these hearings we can come up with constructive recommendations, constructive suggestions that will make it possible for a free society not just to compete with, but to out-compete a totalitarian society.

This is our objective. We have tried, Governor, to make it objective, scholarly, and nonpartisan. This we will continue to do in the interest of coming up with constructive solutions.

Governor Harriman, we are, again, happy to welcome you.

Senator ROBERTSON. Mr. Chairman, I wish to join with my colleague from New York in welcoming an old friend to this committee. As a member of the Senate Appropriations Committee, I, of course, am very much interested in what is involved in the problem of defense, the prospects of a total war, disarmament, and so forth. I do not know of anybody in our country who has had a wider experience than the former distinguished Governor of New York, Mr. Harriman. I am sure he is bringing to us today a worthwhile message. I only regret that we have the mutual security bill pending before our subcommittee and I have to leave before the completion of the testimony. But I wanted to receive a copy of the testimony and also to have this opportunity to welcome him.

Senator JACKSON. I do not know of anyone who has had a greater experience during the critical period with policy decisions and with coordination at the highest level of the Government than our witness today.

I should have added in my opening statement, and I believe I am correct in stating, that the then-Ambassador Harriman was the first to detect the Soviet change in policy toward the West in 1944. It was months later that the break actually occurred. But it was the messages that Governor Harriman had sent to our Government that laid the groundwork for our understanding of the long-drawn-out cold war to follow. We are, indeed, fortunate to have him as a witness.

STATEMENT OF HON. W. AVERELL HARRIMAN, FORMERLY AMBASSADOR TO RUSSIA AND GREAT BRITAIN, SECRETARY OF COMMERCE, MARSHALL PLAN AMBASSADOR IN EUROPE, SPECIAL ASSISTANT TO PRESIDENT TRUMAN, DIRECTOR OF THE MUTUAL SECURITY AGENCY, AND FORMER GOVERNOR OF NEW YORK

Mr. HARRIMAN. Thank you, Mr. Chairman, my own State's Senator, Senator Javits, and my old friend, Senator Robertson.

I appreciate very greatly the opportunity to appear before you this morning. This subject that you are dealing with is certainly very current in its importance. There have been lots of mistakes made, not just this one we are now dealing with over the U-2 incident, but over the years; and the coordination of our policy both between the administration and the Congress and within the administration is of vital importance.

We are engaged in a very, very long struggle, as you have indicated. It is a worldwide struggle. It is not just between us and the Soviet Union, but between the forces of democracy and communism. The Kremlin has in recent years called it peaceful coexistence. I think I spoke of it first as competitive coexistence, but whatever one calls it we are engaged in an all-out competitive life. It covers not only the military and political but also the economic and ideological fields. Therefore, we are in it for a long, long time, until such time as we see a more peaceful world ahead, not just the absence of hostilities, but also good will among nations.

I believe we can attain that if our country and our Government functions in the manner which takes advantage of the opportunity and the responsibility we have.

Therefore, I congratulate, if I may, your subcommittee and your chairman for undertaking this nonpartisan study of how our Government should best organize to formulate and execute national security policy.

I want to underline again that not only the military and political but also almost all functions of our Government have a bearing on the international scene.

It is of course true that governmental policies are made by living men and not some inanimate abstraction called "governmental machinery." But it is also true that our policymakers can be greatly helped, or hindered, by the manner in which we organize human talent to bear upon the policymaking process.

Therefore, I find myself in agreement with your subcommittee's interim report, and I want to congratulate you and the staff, if I may, on this most enlightening report. I particularly find myself in agreement when it says that—

Good national security policy requires both good policymakers and good policy machinery. One cannot be divorced from the other.

I also agree with your subcommittee's insistence upon organizational flexibility. Each President has his own work style, and each will, therefore, wish to organize his office differently. Of course, the same is true of cabinet members and other officials within the Government. A type of organization admirably suited for one person may simply not work for another, although the function must be performed either by the head of an organization or by somebody within it.

Finally, I agree with your subcommittee in its warning against confusing paper organizational charts with the realities of the policy process. The real problem is not how to set up boxes on organization charts; it is to make sure that the right men are assigned to the right posts, and that they spend their time grappling with the right problems.

I have read the testimony of Robert A. Lovett, my former colleague both in government and in business over a lifetime. He has answered many of the specific questions raised in the committee's interim report. I find myself in substantial agreement with his statement and therefore will not attempt to cover the ground he has so effectively dealt with, and I would like to associate myself with many of the things that he said.

Your review covers a whole function of government. Therefore, I have selected only a few problems and a relatively small aspect of government with which to deal. If I attempted to cover the whole field, I am afraid your indulgence would not permit the time for me to deal with it.

With these preliminary remarks, I would like to turn to certain problems which I believe are of interest to your subcommittee. The full range of questions you have been exploring obviously transcends the knowledge of any one person, and my remarks will be confined to those areas where my background and experience may make my observations of some possible value.

THE WHITE HOUSE STAFF

The first one that I touch on is the White House staff.

I was Special Assistant to the President during the early period of the Korean war, and in my posts as Ambassador and Secretary of Commerce, as well as Director for Mutual Security, I had an opportunity to observe some of the immense problems of organization faced by any American President.

Some students of public administration, I gather, have been favoring the establishment of large policymaking staffs at the White House level. When I speak of the White House staff I speak of all the agencies that work within the White House or directly under the President. But such a move, in my opinion, would be a mistake. Insofar as possible, the place for policymaking should be concentrated within the departments. The departments are on the firing line of planning and policymaking; they include specialized skills; they have the invaluable advantage of intimate day-to-day contact with operating problems. In contrast, those working in the White House have largely second-hand information. Any effort to do detailed planning in the White House therefore inevitably runs the danger of resulting in what one might call ivory tower policies.

The true worth of the President's staff is found in another direction. Its real job must be to coordinate departmental positions, and that is to bring together those policies which supplement each other and to compose differences, where they can be composed by bringing people together, and then to lay bare any conflicts which cannot be resolved.

I cannot emphasize too strongly my feeling that the President must be made aware of such conflicts as exist between the departments' thinking. These must be presented to him in sufficient detail to permit him to understand the true issues in deciding between departmental views after discussions with the senior officers involved. Any attempt to solve sharp differences of opinion short of the President on a staff level can only lead to the lowest common denominator solutions and, in most cases, it will, therefore, evade the real issues.

The staff can present a paper, but it can be meaningless if there is no basic agreement.

THE SECRETARY OF STATE—HIS RESPONSIBILITY AND BURDENS

The Secretary of State must have the senior position in the President's councils on all matters relating to foreign policy. That gives him a right, I think, to talk about anything even including our agricultural policies, anything that relates to our national defense. He should have the right to express himself, if he cares to, on such matters as the adequacy of defense programs or any other policy which affects our foreign affairs. But this should be his right, not an obligation. He has already a tremendous job, and he should not be further unnecessarily burdened with additional responsibility.

It is vital that the Secretary of State and the Secretary of Defense, and that may be true, also, of other Cabinet officers, but particularly between these two departments, should have constant personal communication with each other. This is something I know about. If the Secretary of Defense and Secretary of State have close understanding

of each other and are men who can work together, our national interests are furthered, and I would recommend to any President to make sure when he selects his Secretary of State and Secretary of Defense that the two men are of such temperament they can work together and are ready to subordinate personalities for the common good.

It is equally important that the staff members of their two departments talk together and work together. I have seen times when they did work together, and I have seen times when they did not work together.

Senior policymakers in the State Department should have direct personal access to the Joint Chiefs of Staff. Planners in one department should have continuous cross-contact with their counterparts in the other department, so that when points of view of each department are being considered they can be brought to bear upon the problems before the departmental position is taken. It should be provided that any groups working in the State Department or Defense Department on policies should have the privilege of calling upon their opposite numbers for advice during the formative period of policymaking.

This is something, Mr. Chairman, that I know about and I have seen the times when they were not permitted to do that, and we have run into difficulties; and at other times when they were permitted to do so it was then far easier for the departments to come to agreement and also for the President to reach decisions.

The burdens of the Secretary of State are, of course, enormous. His first responsibility under our Constitution is to advise the President on foreign policy. In addition, he bears a major responsibility for organizing the Department of State. It is not fair to expect him to do that himself. He should have an assistant who makes that his first duty. He is expected to attend top level international meetings, which are occurring with greater and greater frequency throughout the world. Finally, he is called upon to testify before many committees on the Hill. These are not all of his responsibilities, but they are some of them.

If I may, Mr. Chairman, I would like to take the liberty of suggesting that this subcommittee inquire into the problem of how a Secretary of State can discharge his obligations to the Congress effectively, yet with less time-consuming burdens. He must of course be available to the Congress when needed. The Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House should feel free to call upon him to discuss, on or off the record, our foreign policy problems. But the Secretary of State should not himself be required to defend minute details of expenditures, or to answer criticisms of minor incidents alleged to have been mishandled by some U.S. representative somewhere in the world. It is not merely the time he spends testifying, but also the time needed to prepare himself to answer any conceivable question which may come up.

There is also another question, if I may suggest it, and that is the role of different committees. I find it very difficult to reconcile with our national interest that after the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House have gone into, let us say, the question of foreign aid, and have indicated its im-

portance, both the military or the economic side, the subcommittees of the Appropriations Committee reanalyze the entire subject. They do not have the benefit of all of the expert witnesses that have appeared. Naturally, I would not suggest that the responsibilities of the Appropriations Committee should be reduced in considering a total budget. But at the same time, I do believe that consideration should be given to the development of a tradition that the Appropriations Committees accept the policy findings of the Foreign Relations and Foreign Affairs Committees.

Now, I want to hasten, Mr. Chairman, to add that close relations between the Secretary of State and the Members of the Congress are of cardinal importance. The Secretary must not only know what people around the world are thinking. He must also know what the people of our country are thinking, and for this information the Congress is a prime source of knowledge. In addition, a Congress which is well informed on foreign affairs is one of the prerequisites of an informed public. The Secretary of State can do a better job of keeping the Congress informed if he is not forced to dissipate his time on testimony concerned with trivia of administration.

A SECRETARY OF FOREIGN AFFAIRS?

Now, I understand there have been a number of proposals for relieving the Secretary of State of some of his onerous duties. One such proposal, which appeals to me, calls for establishing, under the Secretary, a new office in the Department of State with the title of Secretary of Foreign Affairs. The title, Secretary of Foreign Affairs, carries greater weight and authority than that of Under Secretary, and I am in sympathy with the establishment of such an office.

The duties of a Secretary of Foreign Affairs would naturally depend a great deal upon the personalities of the Secretary of State and the man occupying this new office. He might be of great assistance in dealing with the Congress, if the Congress would be willing to accept him, with senior Cabinet members, with other nations, and in attending some of the international conferences. In great part, his contribution would depend upon his own personality and his own personal prestige.

Yet we must remember that there are limits to the amount of responsibility a Secretary of State can delegate, first, on advice to the President. Then, he cannot delegate to a subordinate his responsibilities for organizing and strengthening the great alliances of free nations. There are certain international meetings which the Secretary must himself attend. He should secure at firsthand the feel of how other governments are thinking. He must be responsible both for negotiating with the Soviet Union and for bringing about agreement among our friends and allies involved in such negotiations.

So that I do not subscribe to the idea that he can divorce himself from attending all international meetings.

Another way of helping the Secretary of State is to make fuller use of the office of the U.S. representative to the United Nations. I recognize that Ambassador Lodge has been given Cabinet rank. But in dealing with other nations, we can make this channel of communication more effective by keeping our representatives more fully in-

formed of developments and by giving him greater authority to use his office at the United Nations in our relations with other countries. There are so many things affecting international policy that come before the United Nations.

In conclusion, I would recommend, therefore, the establishment of the position of Secretary of Foreign Affairs, but only with the understanding that the President and the Secretary of State be given broad latitude in determining how this new office can best take some of the load off the Secretary of State.

STATE DEPARTMENT ORGANIZATIONAL PROBLEMS—AT HOME AND ABROAD

The proper organization of the State Department and our missions abroad is of prime importance in developing the information for understanding and judgments required for advising the Secretary of State and the President, and the primary source in policymaking.

Once again, I would stress the necessity of adjusting organizational patterns to the personalities of those in posts of responsibility. With this caveat, I have certain suggestions to offer, if I may.

I have been told, and I have found it to be true, that in some areas of the world, there is very little communication between the Ambassadors and their staffs of different countries, even though the Embassies have overlapping interests. I therefore suggest that ambassadors at large be appointed to effect coordination in such different regional areas.

I understand that by and large the State Department has been opposed to that because of bureaucratic desire for each region and each country desk to have the primary responsibility, and I think this committee would make a contribution if they were to support this concept of ambassador at large.

I was an ambassador at large, if you remember, for the Marshall plan, and that gave me a wider scope to deal with many of our problems that were overlapping.

We have, of course, Assistant Secretaries of State for areas. Both the Assistant Secretary of State and ambassador at large for an area should travel through the region, to bring the Embassies in contact with each other and to see that they interchange information needed for a better handling of common problems. The exact division of the duties between the ambassador at large and the Assistant Secretary should reflect the personalities of the individuals in the two posts.

The periodic area meetings which are now held are splendid but are not sufficient to cover the day-to-day problems.

I have great respect for our Foreign Service officers. I doubt if anyone has greater respect than I have. Many are the best men that could be found for particular assignments as Ambassadors. Their knowledge of languages and judgment based on experience are of great importance. Perhaps, however, we move them too frequently from one post to another. There are, of course, advantages in rotation, but I think that consideration should also be given to leaving men longer at some of the posts.

I believe, however, that some of our more important critical posts should be filled by men of experience from outside the Foreign Service, to be drawn either from broad governmental experience or from private life. An Ambassador must not only know the country to which he is assigned, but he must also know the United States, and the points of view and policies of the President and his administration. The most important ambassadorial posts should be filled by men in whom the President has personal confidence.

An Ambassador must be in a position to recommend a course of action he believes in, even if his recommendation is unpopular. This is sometimes difficult for a Foreign Service officer to do, who is a man looking forward to a lifetime in the Service. He knows as a matter of record that many a man's career has been set back by holding the right view at the wrong time. In fact, some careers have been busted by doing that. An Ambassador is not always necessarily right, but right or wrong, he must be in a position to express his views frankly to the President and the Secretary of State. I want to suggest that the President of the United States should have personal contact with the Ambassadors in the more important posts, as much as his time will permit. The Secretary of State should be willing to permit them to report to the President and the Ambassador should be willing to lose his job if his recommendations are not well received.

I cannot find words strong enough to express my feelings about the selection of our Ambassadors because of large political contributions. There are no longer unimportant posts which can be used for political reward. I suggest Cuba as a case in point. The welfare and security of our Nation are at stake in every country, and our Ambassadors should be selected on the basis of their qualifications.

There are better ways to finance our political parties than at the expense of our national interest and our Nation's security.

I am not letting off, Mr. Chairman, either party from this criticism.

Senator JACKSON. This has been a bipartisan undertaking.

Mr. HARRIMAN. Yes. Because I suggest Cuba I do not want anyone to think I have picked on one party.

Our foreign policy falls into four broad fields.

The first three—political, military, and economic—are clear. The last—one might term the “fourth dimension” of foreign policy—is less understood. It is called variously the informational problem, the ideological conflict, or the battle for men's minds. Great administrative skill is needed to blend these four factors into an overall national policy best serving the needs of our country.

Take economic policy. The judgment of the Secretary of State should be sought on all foreign economic matters. This applies to our foreign trade policies, foreign financial policies, many of the actions of the Secretary of the Treasury, and I should have added certainly our foreign agricultural policies, and both the economic and military portions of our mutual security program.

I do not believe, however, that the Secretary of State should have the operating responsibility for the mutual security, or foreign aid program. The State Department should be a policymaking organization, not an operating organization. Furthermore, our political and diplomatic relations with other countries should not be complicated by involving the Secretary of State in approving or disapprov-

ing this or that project. Such decision should be based upon the economic or financial soundness of the project concerned or the general policy in the program in which we are engaged.

In the field, however, the Ambassador must have disciplinary authority over every American official working in the country to which he is accredited. We simply cannot have different groups of Americans working abroad except under one head. But in his diplomatic discussions with the foreign government, he must draw a sharp line between matters which are political and those which are economic. He can leave to his minister in charge of economic matters dealing concerning the economic questions.

The director for the foreign aid program, whatever his title may be, should be selected because of his ability to organize and direct this vast worldwide operation. But, also, he must be a man who is prepared to take the guidance of the Secretary of State.

There are some policy questions regarding our foreign aid program that I will not touch upon today, but I do want to suggest that we should carry out a foreign aid program that is important for our security and not await agreement for cuts in arms. It is important for us to give assistance to the underdeveloped countries in collaboration with other industrial countries. It should be done because it is right and not because we save money through an arms cut. In the second place, the program should be on the long-term basis and not on a year-to-year basis. I hope, sir, your committee will give that some consideration. The present year-by-year basis is to some extent self-defeating, and we do not get full value for the investments we make. The reason for the great success of the Marshall plan was because it was a 4-year program.

THE FOURTH DIMENSION OF FOREIGN POLICY

I would like to turn to the fourth dimension of our foreign policy, the so-called information service, the battle for men's minds. I would like to suggest it is the Communists that are battling for men's minds. They are trying to get control of men's minds. But we want to liberate men's minds.

I do not think in this area we have fully understood either as a government or as a nation what the problem is and how we should deal with it to meet the challenge of our times.

The head of the information service should be a man of exceptional experience. He should not be chosen because of his knowledge of publicity techniques. Instead, the kind of person needed is a man who understands America and what our country stands for. He should understand the ideological crosscurrents that are now surging around the world; and of equal importance, he should understand the problems and aspirations of the rest of the world, particularly the underdeveloped countries.

This man also must be willing to lose his job, rather than tailor recommendations for expediency, when he is attacked from any source. He should obviously keep in close contact with the Congress, but the Congress should not interfere with his daily operations. It is impossible to sit in an office in Washington and foresee correctly public reaction in some other part of the world. There is no substitute for intimate, on-the-scene familiarity with the country.

From my experience I have learned that I would not undertake an information program in any country unless I knew that country well, because the reactions of people are often quite different than you expect.

I might give you a couple of homely examples. When I was Ambassador in the Soviet Union, during the war, we were very careful to select the newsreels that we thought to be of most use in developing the proper understanding by the Russian people. One day I was told by a member of the staff that the Russian Government had brought in a newsreel showing a riot in connection with a strike in Detroit where the workmen were being beaten up by the local police. I was very much disturbed by this.

I asked one of our Foreign Service officers, who spoke Russian, to go to the theater and see the reaction.

I found the Government took it off very soon because the public reaction was entirely different than expected. To have a workman beaten up by a cop was something which was not extraordinary in the Soviet Union, but the fact that these strikers had good clothes and good shoes was something of very great interest to the Soviet people.

There is another interesting incident, which I heard of secondhand. After the war, Tito in Yugoslavia captured from the Germans a copy of "Grapes of Wrath," and our people were all very much disturbed when they heard this was going to be shown. They soon found, however, that this film was good propaganda for the United States because the manner in which the Okies lived was not bad compared to the way the average peasant of Yugoslavia lived. They were utterly amazed that a farmworker should have a jalopy.

I only mention these as rather colorful examples of the fact that no one can sit in Washington and find out what goes on. I am sure, Mr. Chairman, you realize this only too well from your own experience.

In dealing with other countries, my own experience has made me conclude that it is absolutely necessary to show the people of the country why they are important to the United States. The first thing we want to get across—to try to explain to the people of that country—is why they are important to us, not why we are important but why they are important to us. Any group is skeptical of someone offering a helping hand. The centuries old expression "beware of Greeks bearing gifts" is something which affects everyone. Also, the Communists are constantly imputing ulterior motives to our actions.

Our ambassadors and other representatives abroad should go out of their way to explain why we are interested in the well-being of a country's people, and to make it plain also that every country in the world, be it large or small, is important to us. We cannot buy gratitude, and we should not try to do so. But we can win respect and confidence. Then friendship will automatically follow.

I remember testifying before one of the committees of the Congress in regard to the operation of the Marshall plan. A Senator or a Congressman asked me if we were making friends in France, and what were we doing about it.

I told him that I knew what some would like to have me do: Bring back pictures of children dancing in the streets waving the American

flag and singing "God Bless America." I said that is just exactly what we are not trying to do. The French people are very skeptical of anybody who gives something away.

So our job was to try to explain to the French people why they were important to us and why we were concerned about their welfare.

I think that was one of the reasons we made a success in the Marshall plan, because we understood that. The people began to relax and we began to work together. We constantly said that what we were doing was only a very small part of the job being done by the people of Europe. I remember pointing out that our assistance was only 5 percent of the total effort, of the total production of European countries. It was the critical 5 percent, but we did not emphasize that. I think the Congress can help very much in this respect.

It is likewise essential that our representatives present to the world a true image of America. We do not want to portray our country as a nation bent upon interfering with the internal social and economic order of other countries. We should not try to impose the American free enterprise system as we understand it. Nor should we convey the feeling that our real goal is to promote American business.

Unfortunately, private enterprise abroad, many years ago, did exploit the local people, and we have not lived down that situation fully, and therefore we have to be very careful.

I personally believe that private business in international affairs can play a very important role in serving our national objectives. But we must understand the immediate suspicion that exists in most undeveloped countries, that American business is coming in to exploit them rather than to help them.

Our true image should be composed of other things. It consists of the ideals on which our Nation was founded; our Declaration of Independence which has been through the decades an inspiration to oppressed men everywhere; our concern for human rights, individual dignity, the equality of man, and the improvement of living standards of people everywhere.

You take the question of India. I think it has been a mistake for us to accept or name Mr. Nehru or Indians as neutrals. They are not neutral, Mr. Chairman, on the basic principles. They are dedicated to the fundamental principles that we are. That is the independence of India from any outside interference. And Mr. Nehru and his colleagues are dedicated to the principles of individual dignity and the individual rights of the Indians as human beings.

Those are the fundamental things we are battling for and as such they are our allies and we should recognize them as such. We should recognize that they have a right not to sign military treaties, if they do not consider that it is desirable for them to do so. We should be the first to recognize that as we avoided military entanglements for so many years, other countries may wish to do it now.

I am not suggesting military treaties are not a good thing, or military alliances are not a good thing, but we should not resent those who for their own reasons do not wish to join.

Senator JACKSON. Could I inquire right at that point? You brought up a very interesting subject. I wonder if you will agree with me on this: Our interest should be to encourage countries to be hard neutrals rather than soft neutrals so that they can be just as independent of us as they are of the Soviet Union.

Mr. HARRIMAN. I agree with that fully. I think that, since we are the strongest nation, we should make it a point when we sit at a conference, we sit at a round table and not at the head of it. And we must be careful not to try to impose our views or to throw our weight around, which we sometimes have.

The Secretary of State must, of course, control the policy of the agency responsible for information whether it be set up as an independent agency or as an adjunct of the State Department. I would prefer to see it outside the Department but under the policy control of the Secretary of State. But the question of how our program is conceived and operates, is more important than where it should be placed within the organizational structure of our Government. Within the policy set, our people must be free to do their work without undue interference. We cannot get the right people to do the job, nor can they achieve results, unless they are supported and not constantly subjected to petty criticism.

THE BUDGETARY PROCESS

Then I would like to come to the budgetary process.

The requirements of the cold war, or may I say the continuing competitive life in which we are living—I would like to strike the words “cold war” out of this record, if I may, and change it to the requirements of the competitive world in which we are living. No one wants us to talk about the cold war. After all, we did not start the cold war, but the Russians are now trying to blame it on us. It was the Russians that started the cold war. I think we should avoid using it because it is becoming a distasteful expression.

These requirements will continue to make great demands upon our Nation's human and material resources. We must not squander these resources on unnecessary programs, or on projects of marginal worth. But neither must we forego crucial programs because of claimed resource limitations which in fact may prove to be more fictional than real.

The Bureau of the Budget and the Treasury Department have an important role to play in protecting the President from unreasonable program requests. In my opinion, however, Budget and Treasury now exert too strong an influence upon policy decisions in the national security and foreign policy field. I would suggest that their wings be clipped.

If any of my friends in the Bureau of the Budget and the Treasury are offended by that, I regret it, but state it advisedly and with full conviction that I am right.

Both the Bureau of the Budget and the Treasury are essentially “no” agencies, as far as expenditures are concerned, and they must be. By the very nature of their responsibilities in the Government, they are on the side of “go slower” and “do less.” This has been true of previous administrations and it will no doubt be true in the future. The essence of the responsibility of the money agencies is to argue why something cannot be done or why it should not be done. In this time of growing across-the-board competition from the Communist world, our Government should be more concerned with the

affirmative—with what must be done, what can be done, what should be done, and how it can be done.

My own suggestion is that the views of the Council of Economic Advisers should be given greater weight in measuring the impact of national security policies upon our economy, and in determining when adjustments in our economy will be required to fulfill national program objectives. Since it was first established in 1946, the Council of Economic Advisers has been free of what impresses me as the negative pressures of Budget and Treasury. The Council has been well equipped to assess the impact of programs that are needed. Today, we are not making full use of this important instrumentality of our Government.

Our overall economic policies, naturally, affect our ability to carry on in the security field and, therefore, I am one of those that urge policies that develop an expanding economy rather than a contracting economy or static economy. I think the advice of the Economic Advisers on all aspects of economic problems is of greater value sometimes than the advice of the Bureau of the Budget, the Treasury, or even the Federal Reserve Board. May I suggest you give consideration to stepping up the Council of Economic Advisers within the councils of the Government.

Your subcommittee has suggested the possibility of a fourth annual Presidential report to the Congress—which would relate on a long-term basis our national security needs with the resources required to fulfill them. To me, such a report would serve a very useful purpose, and I hope you will carry this idea further.

When I was Secretary of Commerce in 1946, I began to see the effects of the economic report that was made. It compelled people to think about our overall economic problems. The very fact that people in Government and in Congress began to think about it made them realize that the Government of the United States had a responsibility for the economic health and welfare of our economy as a whole.

I remember Senator Taft was chairman of the joint committee. It was an enlightening thing to all of us to see Senator Taft, who was one of the conservative men, who believed in the free play of the economy—to see his mind develop in understanding of the need for greater responsibility of the Government in connection with our economic affairs.

By the same token such a report, Mr. Chairman, as has been suggested will open up new vistas for wise decisions.

STAFFING PROBLEMS

I would like to turn to the staffing problems.

I stated earlier that good organizational machinery can never substitute for good people. The staffing problem of the national security and foreign policy departments and agencies is therefore of overriding importance. This applies both to the permanent career officials, and to the policymaking executives and the specialists who come to the Government from private life.

It should go almost without saying that an efficient career service can be developed only if loyalty is given to the members of that serv-

ice. There can be no objection to fair and prudent reviews of an employee's loyalty and moral fitness. But I would underline the word "fair." We simply cannot expect highly qualified men to seek Government careers, and to give their jobs their best, if they are subject to unfair criticism. Nor can we expect officials to act boldly and courageously, and to advocate some momentarily unpopular policy if necessary, if mistakes or differences of honest judgment can end in the destruction of their careers. If this continues to happen, we will inevitably end up with a "do little," "play safe," civil service, inadequate for the needs of our country at this time.

I fully agree with the ideas advanced by your subcommittee concerning the development of a senior career service, whose members would serve tours of duty in a number of different departments and agencies, and who would be given special opportunities for advanced training. I have seen the system work in England, where high honor graduates of the great English universities enter the senior civil service and follow career lines specifically designed to qualify them for posts of great responsibility, including the permanent undersecretaryship of departments. They move from department to department and eventually the permanent undersecretaries of the departments are selected from them. They are the ones who run the departments.

The Members of Parliament, as you well know, serve as the Minister, and he is occupied with many activities. He has to depend upon these men. They are trained to serve just as loyally a labor government as a conservative government.

I do not suggest that we copy in detail the British model.

For example, in American tradition, any system should permit the promotion of men who have shown unusual abilities from the regular civil service into the senior career staff. Nonetheless, the fundamental concept of a senior staff corps is sound, and we should get about the job of building such a corps.

Even with the best civil service, however, we will still need men and women from outside the Government to fill our top policymaking posts, and to do specific jobs requiring specialized experience. We simply cannot find in the Government itself all the talent needed to man all important posts and in such areas as technical assistance programs abroad, and research and development activities.

Our goal must be to make it as easy as possible for the Government to draw upon the immense reservoir of human skills available in our business community, the labor unions, our universities, and the legal and other professions. But today, I fear, we are doing exactly the opposite. Far from offering affirmative encouragements to those private citizens able and willing to serve our Government, we are putting unnecessary roadblocks in their way.

I refer specifically to our outmoded laws and rigid regulations concerning so-called conflicts of interest. Today, stock divestment requirements, and hazy regulations concerning pension rights, often mean that a candidate for some high Government post must sacrifice both his financial future and that of his family before he is permitted to serve in a job for which he is eminently qualified and in which our country needs him.

During my many years of service in the Government, I have known literally hundreds of business leaders temporarily in Government service. They were men with few exceptions who would lean over backward rather than use their official position for private or corporate advantage. Yet our existing conflict-of-interest laws, and their interpretation, are based on the assumption that every person serving our Government is a potential thief or knave. An updating of these laws is clearly needed, and I strongly support the efforts of your subcommittee in this direction.

I want to say that a businessman does not necessarily do a good job. It is hard to take a man into government and be sure that he will do a good job. Some men whom you did not expect have done extraordinarily well and others whom you would have expected have not done so well. Sometimes executives get to a position where they are so used to pressing a button and have their organization do their work for them, that they cannot adjust themselves to a government position where they press a button and nothing happens and you have to do the job yourself.

Therefore, I am not suggesting that you take a man from business with the guarantee that he will necessarily do his job well, but I am talking about this question of conflict of interest and of making it easy for him to come to government. In addition, of course, I think he should agree to serve for a reasonable period of time if he takes an important job. Naturally, some of the technical jobs can be completed in just a few months. Then there is the question of the time it takes to screen a man. I am told that still exists for loyalty. Men are lost for technical jobs of great importance in the field because it takes so long to decide whether he is a good American or not.

But I would like to speak of one further point.

During and immediately after World War II, we paid no heed to a man's party affiliation in filling top positions in the Departments of State and Defense, ambassadorships, and in other agencies, and not only for the top positions but down the line in Washington and abroad. The only yardstick of selection was the man's ability to do the job. I would now like our Government, as a matter of policy, to return to this practice.

If I may in passing indicate that in the different jobs that I had during and after the war, I never, in many cases even knew the politics of an individual, and I found in cases, if I may be a little facetious, much to my surprise that a man was a Republican and in spite of that I found he had done a splendid job.

Senator JACKSON. A lot of these Republicans did a good job.

Mr. HARRIMAN. One of the strengths of the Truman administration was that while it was accused, if I may be facetious again, of being infiltrated with Communists, the administration was in fact infiltrated with Republicans. But I do not have to belabor the point.

Senator MUNDT. Not the same individuals.

Mr. HARRIMAN. Senator Mundt, I did not see that you had come in. Senator, I am making an entirely nonpolitical statement. It is a little difficult for me to do so.

Senator MUNDT. I am aware of that.

COMMITTEES—THEIR USE AND ABUSE

Mr. HARRIMAN. If I may go on and touch upon the interdepartmental committees, their uses and abuses.

In a government as large and as complicated as ours, there is no alternative to the interdepartmental committee to coordinate policy and action. The reason for the existence of each such committee, however, should be kept under constant review. There should be a committee-killing outfit to review constantly the need for existence. Many have become a waste of time. Many were established when a need existed but now serve no apparent purpose except to give social outlet to staff members.

There is nothing a member of a staff likes to do more than leave his office, quit working and sit around, smoke his pipe and exchange views with other departments.

When I was Secretary of Commerce, I found that many interdepartmental committees were being used for what I might term "bureaucratic espionage." A department might send a junior staff member to a committee meeting in order to report back to his seniors on the plans of other departments. Armed with this information, the seniors could obstruct programs which did not meet with their own departmental bureaucratic objectives.

A committee can be of value only if the departmental representative is a man able to speak for the department and to make decisions, then and there. The only exception should be if the decisions involved are of such major importance as to require top level agreement. This should be adopted as a principle.

While I was in England, during the war, in fact before our entry into the war in 1941, I sat with one or two of the British War Cabinet subcommittees and observed their system in action. This, I was told, was the first time a foreigner ever sat on a War Cabinet committee. Each member Minister was himself expected to attend these meetings; if he could not, his under secretary would represent him. The under secretary spoke for his department unless the problem required referral to the War Cabinet itself. One of the small but very capable War Cabinet secretariat took minutes of the discussion, and prepared and circulated for immediate approval a paper based on what appeared to this very intelligent individual the consensus of the views expressed. This document, with its recommendations for action, represented the position of the subcommittee and was sent to the War Cabinet for decision.

POLITICAL VERSUS TECHNICAL DECISIONS

Turning to another subject, in our form of government, the basic policies of our Nation must be established by our elected political leaders, and in some cases by the men appointed to high position—the President and his Cabinet and Members of Congress. Often, much specialized technical knowledge must enter into the framing of wise national policy. Our political leaders must and do pay close heed to expert advice, whether it be military, scientific, economic, or otherwise. But the decision must be made by the political leaders.

The manner in which the British approach this problem may be of interest to the subcommittee. The British, unlike us, can establish a coalition government during a national emergency. The British War Cabinet consisted of political leaders of all parties—Conservative, Labor, and Liberal. The British War Cabinet did not include the service ministries. The reasoning behind the composition of the War Cabinet was that its decisions affected the very survival of Britain. They were policy decisions, not technical decisions. Therefore, they were decisions to be made by the political leaders.

The War Cabinet was built around ministers without departmental responsibilities, and in the beginning the Foreign Minister was the only exception to this rule. I can mention one decision that was made by the British War Cabinet, and that was the decision to send the only fully equipped armored division to the Middle East in the summer of 1940. This decision was made for political grounds. No military man would ever have taken responsibility to do that. But it was made on the basis that if the Germans attacked and invaded England, which it was thought they might do, this additional division would not save England, but this division if sent to the Middle East might well hold Cairo and the canal area, and that is what happened, of course. I could point to other decisions.

It is interesting that the British kept their War Cabinet small. In the beginning there were only five members. Mr. Churchill, who was Prime Minister at the time, in referring to the Monday meeting, called it the Monday Cabinet Parade which the service ministers and other Cabinet members attended. On other days the War Cabinet members met alone.

Senator JACKSON. Right at that point, Governor Harriman, did the military oppose the decision to send the armored division to the Middle East?

Mr. HARRIMAN. No. The military have a different attitude toward the Cabinet. They are technical advisers, and when they have given their technical advice their responsibility ends.

They would never think of opposing the decision of the War Cabinet.

Mr. Churchill, in addition to being Prime Minister, was the Minister of Defense. So he met with the service ministers, but in his book, if you will notice, he says, "As Minister of Defense I met with the Defense Committee, which included the service ministers, with the chiefs of staff in attendance."

I do not know whether you get the significance of those words. The chiefs of staff were technical advisers.

Of course, in England, the whole Cabinet are elected officials. They are all in Parliament.

Senator JACKSON. What you are saying is that the civilians made real decisions—

Mr. HARRIMAN. Yes.

Senator JACKSON. Not pro forma decisions. Is that correct?

Mr. HARRIMAN. That is correct.

There is another subject which I am not prepared to go into today, nor am I prepared really to analyze it. One of the problems of the United States when we are in war results from the fact that our President is Commander in Chief of the Armed Forces, so that during

the war the judgments of men like Mr. Hull and Mr. Stimson, and other Cabinet members, were often not given consideration because of the direct contact of the President with the Chief of Staff. That is too long a subject to get into today.

Although Churchill dominated the situation in Britain, just as President Roosevelt dominated here, the members of his Cabinet were informed on what was going on except for the dates of military action. The Cabinet members never wanted to know these dates. Except for that, they were well informed about everything that went on. There was much better security in Britain than there is in the United States, and it disturbed them to read some of the reports in our press. But that again is a different subject.

What I am trying to deal with is that I think my experience in Britain has conditioned me to think that we in this country give too much weight to technical advice in policymaking.

It is my feeling that in our country we too often mistake political policy decisions for technical decisions. Take, for instance, the question of whether it is a good thing for us today to agree to banning nuclear tests. That is a political decision. Naturally, you have to get the advice of experts in the field. Scientists' opinions must be sought. Their opinions are, of course, absolutely essential to analyze what the dangers and values are, but then the decision should be made by the political side.

Let me make it plain that the experts play an indispensable role in policy formation, but we must realize their limitations and not expect them to assume political responsibility.

If I may be personal, Mr. Chairman, I would like to say that on such subjects I for one would rather have your own personal judgment based on your own political knowledge of affairs here at home and in the world in which you travel, than I would that of some very highly qualified expert whose experience is confined to his own particular field.

I want to apologize for the length of time that I have taken and the relatively few subjects that I have covered. But if my comments are of any value to your committee I will feel well rewarded.

Senator JACKSON. Governor Harriman, first I want to commend and compliment you for your very constructive and objective statement. I think that you have made some very fine proposals. After all, you do come to this committee with a rich experience in the area of national security policy decisions, and your testimony is most helpful to us.

I would like to ask you a broad question relating to our relations with the Soviets because I feel that you are eminently qualified in this field to speak. Is it your judgment, in the light of recent events, that the Soviets will be embarking on a tougher line?

Mr. HARRIMAN. Sir, that is anybody's guess. I thought that after the brutal behavior of Mr. Khrushchev in Paris there would be tougher action. I thought it was a victory for those within the Kremlin councils who did not agree with Khrushchev's idea of achieving a detente, and who wanted to veer more to the Chinese Communist line. There is a basic difference between Moscow and Peiping today; that is in the interpretation of Lenin.

Moscow has interpreted Lenin's philosophy to mean that communism could be advanced by what they called peaceful or nonviolent means, and that war was not necessarily inevitable. Mao Tse-tung has stuck to the old interpretation of the inevitability of war and that Communist advances could only be achieved by violent revolutions.

Khrushchev's whole political future has been based on following the nonviolent line, which he calls peaceful. It is a tough line from our standpoint, but it is a line which we, I think, would like to have him follow. Therefore, I think our political and diplomatic efforts should be to encourage that thinking within the Kremlin.

This cannot be done by appeasement but by taking carefully thought-through positions and statements on our part. I am critical of those who unnecessarily provoke adverse reactions within the Soviet Union and also are unfavorably received by our friends and allies around the world who want peace.

Now, for some reason or other, since Paris more reasonable steps have been taken. Mr. Khrushchev said his fountain pen was poised to sign the East German peace treaty whenever he wanted to. But then he didn't use it, indicating he was going to wait 6 or 8 months; obviously, this was until after the American election was over. What his reason was I don't know.

Of course, it was surprising the Russians didn't exploit the incident of our Army transport plane that was forced down. They released the plane and its passengers in record time. Some people thought that they might well use that incident as they have in the past to try to embarrass us and blackmail us into dealing with the East German regime.

Then, of course, the speech last Sunday of Mr. Khrushchev was far calmer in its attitude and tone.

Now, what is happening within the Kremlin councils I don't know, but it looks at the moment as if they have decided to keep things quiet for the time being. Yet, I don't think we can be sure. We may well see next week some aggressive act in some part of the world, or we may see a continuation of a kind of a phony peaceful coexistence period.

This all adds up to the fact that I don't think anybody should base future policy on a guess. I think we ought to assume the worst but constantly be prepared to deal with the best. We should act as if we think things are going to be quiet and, yet, be prepared for the worst.

I don't think it does us much good to be shouting around the world that things are going to be difficult, that there is going to be aggression in every part of the world. I don't think that is useful. But I do suggest that we ought to mend our fences but recognize that the hopes for an early detente are not here. And I would like to see us do whatever is necessary, which I am not competent to judge, to fill whatever gap there is in our security and our defense, and also to be even more vigorous in our policies to cement our alliances around the world, both military alliances and our friendly relations as I have suggested.

I would strengthen our foreign aid program rather than weaken it, and I certainly hope that the Congress will not reduce what I think is already an inadequate foreign aid program at the present time.

Senator JACKSON. You would see this as a time when we should quietly and calmly strengthen our posture in its broad aspects, military, economic, and so on?

Mr. HARRIMAN. Strengthen our posture. And, also, I was very glad to see the President say in his speech to the Nation that he was going to continue negotiations on a businesslike basis.

Senator JACKSON. Now I like the way you put it: we should be calm and we should strengthen our physical and moral position in the world and take this opportunity to do so.

I think we will regain some of the prestige that we have lost if we behave in a calm way. That is the way other people hope we will behave. They are very much disturbed, the people abroad, when we get excited. We are a bit volatile sometimes.

In other words, we get excited in an outward sense. They have a feeling that maybe we are not as mature as we should be.

Mr. HARRIMAN. Yes. They expect us to be all-wise, and they are disappointed when we are not. I have constantly told our friends abroad not to expect too much of us, and that is one of the things that is a disadvantage to us.

Senator JACKSON. Now, along this same line, I have another question, Mr. Ambassador.

Do you expect that there will be any downgrading of Mr. Khrushchev's influence within the Kremlin or within the Presidium as a result of this change?

Mr. HARRIMAN. It is too early to judge that. You know he gained power through controlling the Central Committee of the Communist Party. The Central Committee has a couple of hundred members, and the Presidium has about 15 members. When he came back from Leningrad a few years ago he found himself in the minority in the Presidium. So he threw this whole question of leadership and policy to the Central Committee of the Communist Party.

That group, according to the Party constitution, has the power, but Stalin never used it. Mr. Khrushchev gained a majority vote in the committee. Now I cannot tell, and I don't think anybody can tell, how the lineup is within that Central Committee today. Certainly there is no doubt that there are some who didn't like Mr. Khrushchev's dancing around the world as he had been, hobnobbing with the "evil imperialists," as he has been doing. They thought it was undignified and would reduce the force of world revolution. There is no doubt that some thought all this was a mistake.

I don't think China can control any votes in the Central Committee, but its influence is, of course, brought to bear.

Now just what position the army has I don't know. One of the questions after the war, which some of our military thought, Zhukov was going to succeed Stalin.

I made it plain that of all of the things the Communists understood was what they call Bonapartism, which is the military taking over in a revolutionary situation; it is very hard for me to believe that the military is going to take over in Russia. It is the Communist Party that will continue to dominate unless there is a blowup.

But the military influence is there, because many of these men who are now in high positions of the Communist Party were officers during the war. There is no doubt that the military is playing a more important role, particularly since the secret police has been downgraded.

Now Khrushchev's wings have been clipped a bit, and he is not able to make the independent decisions which he could. Marshal Malinovsky sat with him and accompanied him wherever he went in Paris.

Senator JACKSON. What do you think that was a sign of?

Mr. HARRIMAN. That was a sign that they didn't want to have him go alone, in my opinion. That is, the powers that he didn't want him to go alone, and he wasn't able to have private talks with anybody. That was an unusual procedure.

Now, some people seem to think that it was to show power and strength. Malinovsky looks like a powerfully ugly military man, but I personally think it was because they wanted to make sure that Mr. Khrushchev didn't become too free-wheeling. He had his instructions. These were decided upon before they went to Paris. The terms which they demanded of President Eisenhower—these insulting terms demanding apology and so forth—were not to be deviated from.

Senator JACKSON. You feel Mr. Khrushchev went to Paris under specific limitations? He was not there as a free-wheeling agent as he had been on most of his visits abroad?

Mr. HARRIMAN. You see, Stalin was a dictator. Though he consulted his associates, he made his own decisions. Khrushchev is a political boss who has to carry along his organization with him. He has got to continue to have a majority of the Central Committee.

Now, he was riding high, wide, and handsome as long as things were going right, but when, as a result of a series of events, it looked as if his policy was collapsing, his wings were clipped and he was put under surveillance. I would be surprised if he was set aside, but he may have to adjust his policies, and also may have to subordinate himself a bit to other people's judgment.

You see, during the war, I felt that there were two schools of thought that were influencing Stalin, and, in fact, Stalin had two thoughts in his own mind. Molotov was certainly the leader of the tough policy, and I thought Mikoyan was one of those who was for more cooperation.

One concept was to cooperate after the war with the United States, with the western allies, to get credits and help reconstruct the terrible devastation of their country; and the other was to push communism during a period when the rest of the world was dislocated. And the Molotov side won. Stalin as much as told me so when I saw him in 1945.

There is no doubt that Stalin thought Europe would collapse. I believe myself Europe would have fallen to communism if it hadn't been for the Marshall plan.

Now Mikoyan has been the second man to Khrushchev. All through these years he has been one of those in the councils that has been for a more cooperative attitude.

Let me hasten to say that they all have the same objective—eventual Communist revolution—but it is a matter of tactics and method.

Now it looks as if Mikoyan is being pushed aside, and that is not good news from our standpoint.

Senator JACKSON. In other words, that was the signal, in your judgment, for a tougher line at least for the time being?

Mr. HARRIMAN. Yes.

But I am not sure that it gives an accurate impression to speak of a tougher or softer line; the eventual objective is exactly the same—world Communist revolution.

There has been the difference between Stalin and Khrushchev: Stalin told me that communism would advance in the failures of capitalism, and he used the words “cesspools of capitalism.”

Khrushchev said, “We are making such tremendous success of communism that other countries are going to have to follow.” That in a short 15 years is an enormous change. It shows tremendous confidence in their growth.

I think Khrushchev is really negotiating or basing his confidence on what he expects the Soviet Union to be in a few years. The question is whether they think they can gain their Communist objectives by nonviolence or whether they have to go the old route of sabotage and internal explosion.

Now we want to have them go the softer route, but then we have the grave danger of complacency in our country. That is a subject which should be thoroughly discussed because I think that our great danger doesn't come from without but it comes from within. It comes from the fact that we all want to relax and tend to our own business. The more calm the international scene is, the more we tend to relax.

Senator JACKSON. Would you say that our effort should be a constant one? That is, to improve our position and to be strong in all respects whether Mr. Khrushchev smiles or frowns?

Mr. HARRIMAN. That is correct, and I wish we could get that on a bipartisan basis and not have it a political discussion. These matters ought to be discussed from the standpoint of what is best for our country and not whether it is best for one political party or the other.

Senator JACKSON. When we talk about building up our defenses because of a worsening international situation, isn't that an admission that we are poor planners and that we fail to recognize the long-term threat?

Put another way, should we have to rely, as a crutch, on a worsening international situation? Shouldn't our program, as far as our overall national security posture is concerned, be wise enough just to prophesy and to predict and then to include in the planning these eventualities?

Mr. HARRIMAN. Well, I think that is basically true. But, at the same time, if things get really tough, then you have to expand the program. But we shouldn't be subjected to whether the currents of air from Moscow are warm or cold. We should have our basic security policy. But, then, that in itself must, of course, be flexible if some real dangers appear on the horizon such as has occurred in the past.

Obviously, war is an extreme example. At times things may get tense in one part of the world or another, and then we may have to keep a larger number of men in service and step up some of our programs. Of course, you know better than I do the leadtime that is required, and, so, the very nature of our weapons makes it necessary for us to have a consistent policy or we will find ourselves without the weapons. But we can to some extent expand and contract our forces, depending upon the immediate situation.

Senator JACKSON. I would be interested in your views regarding the wisdom of the summit approach to international diplomacy versus the traditional approach through diplomatic channels in handling these important matters.

Mr. HARRIMAN. Well, I am one of those who believes in the summit under proper circumstances. It is perfectly true that historians and Foreign Service officers who have studied history don't believe in it, and they have very good historic reasons for this, that it is better to have negotiations through the Ambassadors.

But we are dealing now with a world situation which is not bilateral. We can't just deal with the Soviet Union. There are international subjects that we have to deal with. We can't deal with Europe or Germany or the Far East without consulting our friends and allies. That means that we have to get groups of nations together to consider problems. Therefore, that doesn't lend itself to the normal type of day-to-day, unpublicized diplomacy. Therefore, we must have international meetings. They can be on a ministerial level, and should be as much as possible. They can be on the level of the disarmament conferences where you have experts together. We should try in every way to keep them on a lower level than the presidential level.

On the other hand, we have to recognize that in the Soviet system power is concentrated at the top, particularly when Stalin was alive. I never could get a major decision from Molotov or Mikoyan or anybody—from the military, at all—unless I got to Stalin. That is one reason why I saw him so much. Even on small things it was true.

By the same token, many of the decisions will now only be made in the Soviet Union by the top fellow. Therefore, I think our President should be prepared to go to summit conferences if the situation is ripe for them.

Now, I would say that a situation developed where it wasn't right. I am not being critical, but it looked as if the Berlin situation was not ripe: whereas I, for one thought that the arms limitation discussions were ripe—I think that if there had been a summit conference there would have been some progress made in setting a new direction in our arms limitations in negotiations. I think in this respect there has been a real loss.

As far as Berlin was concerned, the failure of this conference, the blowing up of the conference has postponed the subject for future decision, and that is probably the best we could have gotten anyway. There are those who argue that the Russians wanted to blow it up because they knew there couldn't be a decision on Berlin and they didn't want to admit failure. I think that is a bit farfetched. But there is something in it, too. I think we made too much of Berlin, and we should have emphasized more the area in which it looked as if we could get some agreement; namely, arms limitation.

In my talks with Mr. Khrushchev last summer I was careful not to raise any subjects, because I wasn't authorized to do it, but he talked very freely. In these long talks, I got the impression he wanted to curtail his military expenditures. The Soviets are making about the same effort as we are, and yet their total economy is less than half, or 45 percent of ours. So it is twice the burden on the Russian economy. Mr. Khrushchev wants to use that effort in other directions.

But there is one thing we don't seem to realize, which I hoped the summit meeting might have brought out. The Soviets place a great deal of importance on secrecy, and we are very unrealistic if we don't recognize that they think that is a great military asset. And it is. Mr. Khrushchev asked me, with reference to the open skies offer, did we think he was such a fool as to accept it.

You know he speaks in blunt language, as you saw in Paris. He said that he knew everything that he could gain from open skies by buying our newspapers and publications whereas he said we knew little or nothing. And to him, that is a very important asset and there is no doubt that it has been. Stalingrad was held because the Germans didn't know that the Russians brought half a dozen divisions from Siberia and attacked the German flank on the north.

They know that their secrecy has been a great asset.

In negotiations with them on the subject of arms limitation, we have to recognize that secrecy is an asset and that we have to trade something against it. They are not going to give it up for nothing.

This is the type of thing which I hoped would come out in a summit talk, which does not come out on a lower level. Maybe there would have developed some new directions to the negotiations which would have been valuable.

I think, in other words, both sides were prepared to discuss at the summit arms limitation and nuclear control and nuclear bans, but not the Berlin situation.

Senator JACKSON. Regardless of the U-2 incident, you felt that the situation was not promising as far as Berlin was concerned?

Mr. HARRIMAN. I don't want to be a second-day quarterback, but it didn't look like the Berlin situation was ripe for a summit talk. It didn't look as if Khrushchev was prepared to make concessions, which would be necessary. But I don't want to be second-guessing the situation, and I have great respect for the President of the United States for his willingness to go to the summit. He knew the risks he was taking, and I admire him for his readiness to expose himself to possible failure. Whether his judgment was right in this case or not no one can be sure.

I was frankly disappointed that the President didn't use Mr. Khrushchev's visit to the United States to get more into the other subjects than the limited discussions held. I don't think that enough time was set aside for the talks. I would have hoped that they would have gotten into the arms question, and then possibly they might have found more common ground to move forward.

Senator MUNDT. Mr. Ambassador, I think that you made a very good point when you emphasized the fetish that the Communists have for secrecy, which it seems to me would tend to make it increasingly important that we know as much as we can about an area that places such emphasis on secrecy, because in a competition in which one has all of the secrets and the other operates in a goldfish bowl it seems to me that the cards would be stacked against us. Would you agree?

Mr. HARRIMAN. I didn't hear the end of the question. I got the first part but not the last sentence.

Senator MUNDT. In an area in which one side places such emphasis on secrecy and the other does not, it seems to me that it makes it all the more important that we develop every conceivable intelligence

capacity that we have to know as much about those secrets as we can. In a long contest, if one side has the secrets and the other doesn't, you have quite a handicap.

Mr. HARRIMAN. Basically I agree, Senator. It is true that the Russians had a fetish of secrecy throughout their history, which you are fully familiar with. It goes back through the centuries. Peter the Great opened the door a bit to the West.

Beyond that the Soviets are now very practical. They think it is an asset, the fact that they know all about what we are doing and we don't know about them. It goes beyond a question of fetish.

Senator MUNDT. It would be an asset, wouldn't it? We can agree on that?

Mr. HARRIMAN. Now we are open, and I think one of our major objectives should be to do everything we can to break down this secrecy. That is one reason why I have been for a maximum amount of interchange back and forth. Every American that goes to Russia leaves a little something there. There are dangers and risks in it, but whatever we can do to break down the curtain will be helpful. One thing leads to another.

Obviously, whatever information we can get through non-open means is something which is an obligation of our Government to attempt to get. One of the things that I am unhappy about over this U-2 incident is that we can no longer continue to get the valuable information which we got. No doubt, we had to abandon the flights because we were putting our allies in such an embarrassing position. We can't fly these planes from the United States.

There was nothing to do but to abandon it. But, at the same time, I do think that we ought to make it a matter of major policy to open up the Soviet Union as much as possible, and I like the idea of the United States placing major emphasis in attempting to develop policies of complete openness. If we do get a satellite, as is proposed, all of the information should be made available and not kept secret. We should give the full information developed to everybody.

I think it has good psychological value, and it is good for us to boast about the fact that we give all of our information freely.

The danger of surprise attack cannot come from the United States because we are so open in everything that we do. The danger can only come from a country that is as closed as the Soviets are. So every pressure in all directions, open and covert, should be used to break down that secrecy. I think that we would find ourselves in a far more secure world if we could achieve some results.

I, for one, would be willing to pay quite a price in the arms limitation for breaking down their secrecy.

Senator MUNDT. Isn't the danger of a surprise attack such that the world has other assurances besides an open-skies policy as far as the United States is concerned? We have moral compunction which, unfortunately, our adversaries don't have, which would prevent our making a surprise attack. I think that the world is pretty well aware of that.

Mr. HARRIMAN. Unhappily, some of our military have been going around the world at different times and discussed the advisability of a preventive war. That has not been helpful.

It is unthinkable to me that any President of the United States or any political leader of the United States should do it. But we have created the impression by some things that were said that we might engage in it. You know some of the loose talk that has been going on by some of the less responsible of our military.

It is unthinkable for you or me that we should ever undertake a surprise attack. You remember Mr. Churchill said that the world sleeps soundly at night with the United States having control of the atomic bomb. You remember we all thought that to be true, while we had the atomic monopoly. But that no longer is so.

I think that we should make a conscious effort to get back to a position where the world sleeps at night without fear as far as we are concerned.

Senator MUNDT. Knowing the Russian mind as you do, do you or do you not feel that the Russians themselves are fairly complacent in the conviction that we are not going to launch a surprise attack against them?

Mr. HARRIMAN. I would not say because I don't know the Russian mind. I know enough about it to know that I know very little about it. But I would not assume that to be the case.

They have claustrophobia because of being surrounded by our bases.

One of the things that is most important to us in our defense, and I am not saying otherwise, but everywhere you go in the Soviet Union the people are concerned about those bases. They think it is a warlike position on our part that may be used for attack.

I don't believe that the Russian military particularly is ready to assume that it would not be possible for us to undertake a surprise attack. I think it is wrong for us to assume that that is their assumption.

I cannot tell what their attitude is, but I think that no military would ever overlook capabilities. It is the old story: The military has to deal with the potential enemy's capability, and not with their intentions. Therefore, our capabilities must be very carefully weighed by the Soviet military.

One thing that tended to confirm the opinion which you suggest—they took a tremendous chance by taking the big jump from the strategic bomber to the missile. That is where they got ahead of us. We had to maintain and develop our Strategic Air Force. I think the decision was right, but that is certainly one of the reasons why the Russians were able to get ahead of us in missiles.

They took that chance, and you could well say that they took that chance knowing that we would not engage in a surprise attack.

It may be, however, that they had limitations of capacity, and took a calculated risk.

Senator MUNDT. When I visited you in Russia it was in 1946, I believe, and you were Ambassador over there.

Mr. HARRIMAN. Yes. I came back in January of 1946.

Senator MUNDT. At that time the Iron Curtain was a lot different from what it is now. I quite agree with you in your endorsement of the whole American program, to try to shoot as many holes in that Iron Curtain as we can, and, of course there have been a lot of changes increasingly through the years.

I am wondering whether it would be a fairly sound thesis to suggest that, as a consequence of these inner changes, more Russians having seen this country and more Americans having gone over there and more Russians having seen Americans over there, whether some of this may not have led to these changes in tactics in Russia, whereas the military minded and the war-type leader begins to realize that if this continues too long and goes too far the secrecy which is so important to their position gets pretty well dissipated.

Mr. HARRIMAN. Well, they closed down after I left. We had more freedom of movement during the war than afterward. They closed down very tight.

But I would think that you are right, Senator, that the inner change has had an effect within the Soviet Union, and there is no doubt that public opinion does play a certain role in the Soviet Union. It did even under Stalin.

We once had a talk about public opinion, and I explained to Stalin that public opinion fundamentally controlled our Government in the United States. He maintained that public opinion would not permit him to take certain action. I commented that he knew how to control public opinion, but he replied:

No. You must remember that we have had three revolutions in a generation.

That was a significant statement. It did show that he recognized that he could only go so far, and if he went too far there would be mutiny.

But now there is more freedom of expression. I was amazed when I went there last year, the greater freedom of the people. They came up and talked to me, and they were ready to say things which they would have been afraid to say before. All of this indicates that they like this Khrushchev line of attempting to get a detente with the West. Maybe they liked it too much and that made the Kremlin swing back.

I think there are many of the Kremlin leaders that didn't want to see President Eisenhower go to the Soviet Union.

I think, Senator—I am very glad to see you, Senator Humphrey. You will agree from your trips to the Soviet Union that President Eisenhower, if he would have gone there, would have had a tumultuous welcome. He is not just the President of the United States; he had been built up during the war as the great general and the great leader of the alliance.

Stalin invited him to come to Moscow when I was there. The red carpet was out. I still remember when he and Zhukov stood up with their arms around their shoulders at the football stadium.

Senator MUNDT. He had been glamorized in Russia.

Mr. HARRIMAN. The crowd took the sky off, and not the roof off, with their applause.

He would have been received well.

The people want nothing better than friendship with the United States.

In my visit last year, I was received very well by everybody because I was built up as Ambassador during the war. I didn't have a lot of American newspapermen around and there was no publicity here about it. At one place the crowd lifted the rear wheels of the automobile up as they didn't want me to get away. I had to get out and shake hands with all of them.

So the reception that I received made me feel that President Eisenhower would have a reception which had never been known before in any country.

The people crave peace.

One of the great losses of the Paris debacle is that President Eisenhower will not be able to go to the Soviet Union.

The man who would have been best received was President Roosevelt—to keep this bipartisan—because he was their friend. When he died the Russian people felt they had lost a friend. Somehow he got a feeling across to people that he cared about them and they believed he would lead the world to peace.

But the next was President Eisenhower.

And this is a permanent loss.

If he had gone there, it would have been very difficult for the Soviet propaganda to take hold, as it has in the past, against us. Many people would have believed President Eisenhower when he spoke with his warm personality that it is unthinkable that we should ever start a war. This would have had a long-term influence.

Senator MUNDT. I have one final question.

As I summarize your discussion with our chairman, I will put it this way, that the objectives of the Communists remain pretty constant but their tactics change, and they adjust themselves to differing conditions; and that you would recommend, and I think that our committee would recommend, that the objectives of this country should remain equally constant in opposition to this Communist threat; and, likewise, we have to change our tactics.

Mr. HARRIMAN. I fully agree. I think that we should always stick to our principles, that we should never compromise them. That is why I am opposed to all of the ideas of accepting the status quo in Eastern Europe. We must stand for freedom, the right of self-determination, and individual dignity as opposed to Soviet imposed powerful state and dictatorships. We should never make any deals which divide spheres of influence.

We should stick to that. We have to recognize, however, that to the Kremlin, this means a struggle to the end.

They are fighting for world domination, for Communist dictatorship, and we are going to struggle in a peaceful way, but constantly and vigorously, for a world of freedom.

I think that we will win out in the long run if we stick to it, but we must never deviate from our objective.

But don't let us talk about liberation.

Forgive me for using that word. But I have been sufficiently critical both ways this morning.

That is a misunderstood word. That means war to most people. But let us talk about the human rights, that we are going to uphold human rights in any conference in which we are engaged.

Senator MUNDT. Thank you very much.

Senator JACKSON. Senator Humphrey.

Senator HUMPHREY. First, I want to apologize to my good friend Governor Harriman for being delayed, but we had two other meetings this morning and it is a little difficult.

I was very much impressed with what you have just said in reference to the reception that you thought the President would receive.

In some of my private conversations around with people following my trip to Russia, I have said—and told the President when I visited with him—that I thought if he ever got there he would have a reception that was unbelievable.

I think this is true.

I thoroughly agree with what you said about two men in American public life who are heroes in the Soviet Union; they are Franklin Delano Roosevelt and Dwight Eisenhower. There isn't any doubt about it at all. Mr. Khrushchev, in his talk with me, mentioned several times his respect for the President.

I had a feeling that were this visit to take place, the people in the Soviet Union would literally blow their tops, that the lid would come off. And, as a matter of fact, I feel that when Mr. Eisenhower went to India, that this shook the leaders in the Kremlin a little bit, the tremendous welcome that he received in India. I had some feeling that Mr. Khrushchev may have become deeply concerned that the welcome that the President of the United States would receive in Russia would be too big.

I really think that we ought to be challenging the Soviet Union to renew that invitation, and I am one that thinks the President ought to go no matter what, if the invitation is extended, because it seems to me that this would be the break in the Iron Curtain that is needed.

Senator JAVITS. I couldn't agree more, and I just wanted to record myself there. I would like to agree with Senator Humphrey.

Mr. HARRIMAN. I don't know how you can get the invitation reinstated.

Senator HUMPHREY. I don't ask that, but what I am saying is that I think the world ought to know that Mr. Khrushchev and the men in the Kremlin were afraid to let the President of the United States come to the Soviet Union, in the light of what I think would have been a historical breakthrough to the public of the Soviet Union.

Mr. HARRIMAN. I am inclined to believe that Khrushchev wanted the visit, but I am quite sure that there were elements within the Kremlin that were afraid of it and didn't want it from the very beginning, just, of course, as there were people in the Kremlin who didn't want Khrushchev to come here.

But I am not sure that Khrushchev was against it because he would bask in the glory of having produced President Eisenhower. He wants popular applause.

You know he went back from his trip to the United States—and I followed as carefully as I could from the American press and British press, his accounts of his trip, and some of the translations from the Soviet press—and he boasted, saying, "I was a great success over there, and I have become a great friend of the President of the United States, and I have brought peace to you. The chances of peace are much better as a result of my trip."

Therefore, he said, "Now we can begin to have a little prosperity, too, and I am going to give you some more shoes, and I am going to give you some more refrigerators." These are things which the people want very much. He was running on a platform of peace and a better life.

The events leading up to the debacle in Paris were a great come-down for Khrushchev. I think you are right in this sense: It was beginning to dawn upon Khrushchev that since President Eisenhower had such a tremendous welcome in India it was having an adverse effect on his prestige because he was not so well received on the occasion of his own trip there. The beginning of the difficulties, I think, started in the southeast Asian trip where Mr. Khrushchev found he wasn't as well received as he had expected.

Senator HUMPHREY. Well, I would join with you, Governor, in your analysis of Mr. Khrushchev's reactions. I think that you are right that Mr. Khrushchev would have looked upon the President's visit as a sort of personal triumph.

An adviser to me on Soviet politics said something like this, and I would like to get your observation on it. This gentleman, whom I relied on for a good deal of the time, is a retired professor in the field of international relations, and he said that Mr. Khrushchev, in his understanding with President Eisenhower, said to the Russian people, "I get along with this man, and I am going to bring you peace," but that that understanding was shaken and shattered when the President of the United States took sole responsibility for the U-2 flight.

This gentleman who consults with me, or gives me his advice, says that in the eyes of Mr. Khrushchev, and of the Communists, this was like breaking the pact and breaking the party line. He predicted to me about 3 weeks ago that you could expect Mr. Khrushchev to carry on a very bitter personal attack against Eisenhower because he, Khrushchev, had staked his reputation, so to speak, in the Soviet Union upon his relationships with the President of the United States, and that he, Khrushchev, was being nibbled at and attacked from the right, so to speak, in the Soviet Union by the Stalinist element and the militarist element; and that when the President took the personal responsibility for the spy plane incident there was nothing left for Mr. Khrushchev to do but to attack as ferociously as he did.

I am not going to say that I subscribe fully to that observation. I wondered what your view was.

Mr. HARRIMAN. I will say this: I think this began before the U-2 incident.

Senator HUMPHREY. I do, too.

Mr. HARRIMAN. I think, somehow or other, Mr. Khrushchev thought he was going to be able to find some middle ground with President Eisenhower about Berlin, and what happened, I don't know. In any event, it appeared as if President Eisenhower was paying more attention to the general approach of Adenauer rather than Macmillan, and Mr. Khrushchev went to Paris and found out De Gaulle's strong views—all of these began before the U-2 incident.

Now it is very easy to say the handling of the U-2 incident was wrong.

Not to second guess how it should have been handled, but to apply ourselves specifically to your question, I think there is evidence that Mr. Khrushchev was very much hurt either because he thought President Eisenhower let him down or because he had made a bad mistake in judgment. He was counting on his political position to be improved by this close personal relationship with the President.

I thought myself, as long as you raise the question, that the Secretary of State was unnecessarily positive in the manner in which he took responsibility. I would have hoped that the Secretary of State or the President should not have taken responsibility for this. If they did take responsibility, they should have played it down.

I don't have Mr. Herter's statement in front of me, but it was a fairly vigorous statement. He said something like, "Considering the fact that these people may attack us any minute"—I may be exaggerating a little bit, but it was the implication—"we have to know and protect ourselves against surprise attack." Mr. Herter also gave the impression that the overflights would be continued.

If he was going to take responsibility, I think that I would have advised him to play it down, indicating that this was just one of these things that the intelligence service does. They wanted to find out about the weather and maybe get a little information and photographs, but all of this type of information about us is known to the Russians, and we are not concerned about it.

I think there wouldn't have been such a violent reaction on the part of the Kremlin.

Then I believe that Mr. Khrushchev did offer the President a way out. Some people think it was a trap. I don't agree with that. I think the President would have done well to have disassociated himself from the incident. I recognize there might have been domestic problems involved in his disassociating himself from it—the question of the President being on the job and all of that sort of thing. Just what would have happened in the Paris Conference if he had disassociated himself, I am not prepared to say.

But I do think, in the overall, that Khrushchev had gambled his political position or staked his political position on the relationship he had developed with President Eisenhower, and he felt very much let down. Let down by the way events happened. That was why he left a loophole open, even up to the time the President took personal responsibility.

Senator HUMPHREY. I have just one final observation.

Without going into this past event, which is a subject before another committee where we are having very detailed discussion of it in executive session, would you be of a mind, Governor Harriman, that it goes to our national interest to attempt to have the most intimate kind of contact with the people in the Soviet Union?

Let me backstop that a bit. What I am getting at is this:

There is a tendency now, due to this summit debacle, to firm up. When some people say "firm up" they mean just withdraw.

Do you think that we ought to pursue a policy which furthers our cultural exchanges and which furthers the people-to-people contact?

Mr. HARRIMAN. I think that would be the worst possible position for us to take. I think before you came in, Senator, I said that I am very glad the President, in his report to the Nation, indicated that he was going to keep our negotiations with the Soviet Union open on a businesslike basis. We ought to encourage or increase rather than decrease our efforts to get additional exchanges.

I mentioned the importance of that before you came in.

There are obviously certain risks involved, some things that they get, some advantages that we don't like, but the value of breaking

down the Iron Curtain and breaking down the suspicion and the secrecy with which the Russian people have been forced to live is of vital importance.

We would be playing into their hands if we were to pursue a policy of tightening up. In fact, I think it would injure us with everyone around the world, and nobody wants war. Therefore, any toughness on our part is going to injure our prestige with our friends and our allies and the uncommitted nations.

This is a time for us to be calm. I think, as Senator Jackson said, this is a time for us to be calm and consistent in both our military posture and our political posture, and unwavering from the policies we have assumed.

We should attempt to reach an understanding, a human understanding with the Soviet people.

SENATOR HUMPHREY. The only point that I think important to emphasize from my point of view at this juncture is that there is a point of view in this country that says, to wit, well we never should have had Mr. Khrushchev here anyhow, and it is a good thing now that the President doesn't have to go to the Soviet Union.

I disagree with that point of view. I think that the biggest blow-out of all of this summit failure was the fact that the President of the United States is not going to go to the Soviet Union.

It is not because his going to the Soviet Union would express approval of the Soviet system, but, as I think you well put it, that the President, in going to the Soviet Union, would have had a very excellent reception, such a tremendous reception that he would have broken through much of the propaganda which the Soviet people don't believe themselves.

There wasn't a single minute for 8 days and 8 nights that I didn't have people, when I would go down to these railroad stations and talk to them, who would ask me this kind of question: Do you have a house? And: Do you drive a car? And: Do you want to go to war?

It was such questions that filled me with hope. I was of the opinion that the appearance of the President of the United States would be one of the greatest and most masterful propaganda strokes on our part, if you can use the word "propaganda," and it would be the presentation of the truth, right before the eyes of the Soviet people.

I think the great tragedy of this whole thing was not what happened to the spy plane, or the fact that they didn't even hold a summit conference—but the real tragedy is the fact that the President of the United States is not going to be able to make that trip. I think it would have been much more significant than the trip that is being projected to the Far East, as important as that is. The people that need to see the President of the United States are the people behind the Iron Curtain. Every time a prominent American can go behind the Iron Curtain it gives the men in the Kremlin cold chills.

This is the way to wage the so-called psychological contest, and I think that your trip, Governor, as the former ambassador—I heard a great deal about this from many people—that your trip had a tremendous psychological effect. It was because of your position there and because you represented a point of view in this country.

I wanted to say this because there has been so much talk, "Well, now we have to be tough."

It is one thing to be strong and another thing to be tough. If you are strong, you don't have to be tough. If you know what you are about, you don't have to act that way.

Mr. HARRIMAN. Senator, the thing the Russian people want most of all is a return to the friendship that they thought existed between us during the war, and, of course, that came up all of the time while I was in Russia last year as the people knew I had been our wartime ambassador. It is really pathetic how much they cling to the hope of peace, through this relationship with us.

We have been held up as being warmongers and imperialists, but they don't believe it fully. And the President's trip, as I think I said before you came in—I agree with what you say very much—it would have had lasting effect. It was one of the net losses of this debacle, which we will never recover.

I would be delighted if you could reestablish the invitation, and I am certainly glad to hear that you would urge the President to accept it if it came. And, if it can be reestablished, I think that he should go, and I would hope that he would go.

I don't quite see it happening, however.

Senator HUMPHREY. I don't think this is an impossibility, and I think that this discussion is worthwhile because, let me tell you, if it did happen there would be a hue and cry in this country that the President ought not to go because of the insults that he has suffered.

I can say that my immediate reaction would be "Don't go, because you have been insulted, and the office of the Presidency has been insulted, and the Nation has been insulted."

But the one thing that could be the greatest blow to the men in the Kremlin, to some of the forces in the Kremlin, would be the presence in the Soviet Union of the leader of the free nations of the world. I think this would have a tremendous effect. And it may be that one has to be pretty big about swallowing some of the abuse. But once those people heard the President of the United States was coming, even the Soviet secret police couldn't contain them. What happened to Mr. Nixon in Poland would look like it was a meeting in the vestibule compared to what would happen in the Soviet Union with the President coming there.

Mr. HARRIMAN. If this committee can find ways and means to reestablish the President's visit to the Soviet Union, it would be doing a great service to our Nation.

Senator HUMPHREY. I doubt we will be able to do it.

Senator JACKSON. Right on this point—

Mr. HARRIMAN. But may I say, it does indicate just what you have said, Mr. Chairman—the need for us to be calm and not to make violent statements, both for its effect within the Soviet Union and among our friends and allies around the world.

Senator JACKSON. Might I ask this question before I turn to Senator Javits. It is in keeping with the questions asked by Senator Humphrey:

When I visited the Soviet Union in 1956, both in the European and Asiatic part of Russia, it was clear to me that the people were most friendly. They didn't know me from anyone else in America, but they were friendly because I was an American.

I want to ask you this question:

For years and years the people have been told under Stalin that we are bad, that we want war and only the men in the Kremlin want peace, that the whole capitalist world is that way. How do you account for the ability of the people to sort of throw that off and have this warm attitude for our people as a whole?

In your case and in the case of Mr. Roosevelt it is a different situation. You were there during the war, a part of the alliance, and you participated in what they called their "great patriotic war." They don't call it World War II; it was the "great patriotic war."

How do you account for the inability of the men in the Kremlin, despite, as I say, years and years of propaganda abuse against this country, to suppress this deep warmth, which it is, on the part of the man in the street in the Soviet Union toward Americans as a whole?

MR. HARRIMAN. There are several factors. One is that, in spite of the propaganda against us, we have been held up as the Nation to copy. They want our machine tools, and they want our way of life, and they have to catch up with us, and all of the things that we have done they want to copy, including eventually our standard of living.

In addition to that, the propaganda has to a considerable extent separated the American people from what they call the ruling circles. They stick to the Communist idea that it is the great businessmen and industrialists who rule our country, or the militarists. But they like American people. It is almost the same with us: we like the Russian people but we don't like the government; and they have done the same thing.

Senator JACKSON. How did you overcome that suspicion, of being a part of the so-called "ruling circles" of this country?

MR. HARRIMAN. When Mr. Khrushchev came to my house—I asked a number of bankers and business people to meet him—and most of them were Republicans, but we had a few Democrats—and I said:

Now we are meeting with the people that you consider a cross section of the ruling circles, and perhaps you would like to ask them some questions.

We had a very interesting talk.

But, in any event, during the war, we were allies, and, so, I was held up as the American Ambassador and a friend.

But those two things are very important to recognize. And, thirdly, a great many of the Russian people in one form or another have come to this country. Others have relations or friends in the United States or Canada and they have heard something about this country. Communication is too general in this world to keep the bars up completely. But I think the important thing is, as you have said, the friendship is there, and we ought to cultivate it. We ought to recognize that everything we do and every statement made by public officials has a bearing, and some of it penetrates through. When you have a censorship, the word-of-mouth travel of information is a very important one.

Senator JACKSON. Senator Javits.

Senator JAVITS. I am glad Senator Bush is here because I was going to give you his personal greetings. We participated in another meeting and I was dispatched to represent us both.

Senator Bush will say a word for himself, but I had a few questions to ask.

I would like to get back to national policy machinery. I would like to ask you whether you believe, as I am sure you do, that the struggle will be decided by military means or do you believe it will be decided probably by the strategy which we undertake in various fields, including the military field but not by the gauge of battle between ourselves and the Communist bloc?

Mr. HARRIMAN. I think it is the broadest strategy of almost all aspects of our life. And I mentioned in my testimony that there is this fourth dimension which is the ideological struggle which we haven't really entered yet.

We should have a better information program, but we must also do all of the other things. We must have military strength, and we must have an economic program. But, along with that, there must come a program which enters the ideological conflict as well. I think you will agree, Senator, we really haven't tackled it yet.

Senator JAVITS. Do you feel that the way we are organized now through the National Security Council, and our various Cabinet departments, we are organized to wage this strategic struggle, what you call the fourth dimension, to the best effect?

Mr. HARRIMAN. Well, I think that is too much of a question for a yes-or-no answer.

I think, certainly, progress has been made in organizing the executive branch of the Government. But my testimony indicates certain areas in which I think it could be strengthened.

Before you came in, Senator Bush, I had indicated in my testimony that I had read Mr. Lovett's testimony and I wanted to associate myself with the suggestions that he made.

I think progress has been made, but I think the organization of the executive branch or the relationship of it with Congress are not yet adequate to the task that we have to face.

I am saying very readily that progress has been made in the last 8 years, and, so, this is not a partisan statement at all.

Senator JAVITS. I noticed your allusion to the war cabinet system of the British, and, as a political decision of first importance, the sending of a division to the Middle East in the summer of 1940 notwithstanding Britain's precarious situation at that time.

Now, do you believe, from your knowledge of our organizational machinery, that we would be capable of a similar strategic, coordinated decision at the top with the governmental machinery we have?

Mr. HARRIMAN. Yes, certainly. That would be in our case a Presidential decision as Commander in Chief and one which he could make without the necessity of consultation with anyone.

I think, obviously, matters that are of major importance which should be discussed with the leaders of the opposite party in the Congress, and, assuming there was agreement, bipartisan decisions could be taken.

I mentioned the question of the ban on nuclear testing as a similar point. It is one in which there are scientific reasons pro and con, and it is a political decision as to whether we are better off in the long run by taking certain risks and foregoing certain additional information in return for the hope to avoid more serious risks in the future. That would be a subject, whatever the decision may be, where it would be

vital for both party leaders to agree, and it should not be subjected to partisan debate.

Senator JAVITS. While we are on that subject, Ambassador Kennan testified that he took a very dim view of summitry; that is, of having a summit meeting. Now do you believe from your experience with the Russians that there is any likelihood of Khrushchev or Russian leadership coming back to the summit idea after this experience?

Mr. HARRIMAN. Mr. Khrushchev has made it plain that he wants another summit meeting, and he said 6 or 8 months and went on to say "and if we can't have it then, perhaps at a little later time."

I didn't read all of Mr. Kennan's testimony, and I have great respect for him. He was my counsellor in Moscow during the war, and his knowledge of Russia is one that should be made constantly available to the American Government. We don't always agree upon final judgments. People trained in diplomacy tend to want to stick to the diplomatic method of procedure. It is time honored. But the situation today is different than formerly. Normally, two countries would discuss their matters quietly between their ambassadors and come to some agreement and undertaking. Today almost everything has its effect among many nations. We cannot, for example, assume responsibility for making commitments that affect the future of Germany. We can't make that decision alone and we have to bring in other countries affected. At times we can keep the group down to just the French and British, but we must constantly, as you know, consult with the others affected. Therefore, bilateral consultations no longer permit the old form of diplomacy. Therefore, you have to have meetings on a multinational basis. These are meetings in regard to disarmament, in which our experts get together, and we have meetings of the foreign ministers. Some of these are multinational in their approach.

As long as we face a system in the Soviet Union where there is such concentrated power in the hands of one man, or where one man expresses the will of the Central Committee, there is value in having a summit meeting.

I believe that we shouldn't discard all idea of having further summit meetings because this one has been a failure.

I think it underlines however, the caution that should be used and the fact that there should be adequate preparation. It would be foolhardy to have one otherwise.

I don't mean everything should be cut and dried except the signing of the agreements, but sufficient progress should be made so that a meeting among the heads of governments could produce some good.

I testified before you came back, Senator, that I thought that we had reached a point where a discussion between the heads of governments would be of value in connection with arms limitation. That I base on my talks with Khrushchev, and general discussions that have taken place.

I felt that if they had met and had discussed the situation, there would have been a new direction agreed upon to give to the more detailed discussion by the committees now meeting.

We were not ready for the Berlin discussion. There was too much of a head-on collision. I think as you look backwards—and I am not criticizing the President, and before you came in I said I have great

admiration for the President's courage to go there and take the risk—but I have felt that greater emphasis should be given to the arms area and less to the Berlin situation.

I didn't foresee very much coming out of the meeting, for the reason that the Berlin situation had been overemphasized.

Senator JAVITS. So you believe that the national policy machinery which we recommend should contemplate further summit meetings and also action at the summit with respect to disarmament and perhaps even nuclear testing?

Mr. HARRIMAN. Yes; I think so. I think that it should contemplate summitry but under rather greater care and preparation than before.

You see, of course, we are all the product of our experience, and I am affected by my own experience during the war. I could talk my head off to Molotov and Mikoyan and the head of our military mission could talk to the marshals of the Red Army and we would just get absolutely nowhere. That was why I saw Stalin so much, because when we got to a point, on almost every detail, everything had to be settled by Stalin. Unless I could get to him, nothing could be done.

Now, Khrushchev is not in the same position as Stalin. But there is, by their system, great suspicion of leaving policy decisions to subordinates, and, therefore, as long as the Soviet system remains as it is now, I think that there is great value in getting to the top. The summit is one of the ways to do that.

Senator JAVITS. The Russian system then demands that we be ready to meet at the summit?

Mr. HARRIMAN. Under appropriate circumstances.

Senator JAVITS. And our machinery ought to be organized in contemplation of that rather than in contemplation of the idea that we are going back to old-style diplomacy?

Mr. HARRIMAN. I think we should use every other means to come to agreements, as we are now doing, by our different committees that are meeting on disarmament and other consultations, and the foreign ministers' conferences. But we should be prepared for the summit meetings if they are necessary and if there is sufficient reason to hope that an agreement can be reached.

However, I don't think that we should contemplate summit meetings where it is the probability of a major blowup, which I think perhaps we would have had over Berlin if we judged the position of Khrushchev as being his real position based on his Baku speech, and the one that I think our President correctly took.

Senator JAVITS. We learned from recent events that preparation should be for the new lines rather than back again along the old lines.

Mr. HARRIMAN. I would suggest that.

Senator JAVITS. Thank you, Mr. Chairman.

Senator JACKSON. Senator Bush.

Senator BUSH. Thank you, Mr. Chairman.

I am sorry that I wasn't present to hear the Governor's presentation, but I have it and I have been through it, and I will take it home to read.

I would observe, if I might, that for some 30 years I have watched the Governor's activity in public life with intense interest.

Mr. HARRIMAN. And not always with approval.

Senator BUSH. Well, you would be surprised with how much, and not always in agreement. But nevertheless I have had a great admiration of his public service which I think is unequalled by an individual today in either political party.

I think that I can defend that statement on most any ground. The important jobs which he has held, some of which are listed on the face of this. I doubt any man in this country could possibly have accomplished so much and done so many important things as he has done. For that reason, it is obvious that his remarks to this committee should have great weight, and, from my personal observation, I think they contain excellent advice out of a long and intense experience of devoted public service. I am very glad that the committee has had the advantage of hearing Governor Harriman this morning.

Senator JACKSON. If the Chair might interpose at this point, one phase of our hearing thus far is related to the problem of getting good people in government. I want to say that the firm of Brown Bros., Harriman has made probably the finest contribution to government service of any firm in the country. That is Mr. Lovett and Mr. Harriman and Senator Bush.

I can speak impartially because we have had Mr. Lovett before our committee, and I want to say in all candor that I don't know of any man living today who has the knowledge that Mr. Lovett has about national security. Governor Harriman, with his long experience in diplomacy during the war period and the postwar period, adds to that. And Senator Bush, now serving in the Senate, has taken a very keen interest in defense problems and the broad national security problem.

I think the firm of Brown Bros., Harriman is an example to the whole country, and I might add there is never a problem of conflict of interest. They went about their job and they came down here and served for long periods of time. Someway and somehow, they seem to solve those problems.

Mr. HARRIMAN. May I offer my brother's name to the list you have given. He was appointed head of the Red Cross by President Truman even though he was a Republican, and that is our major difference in life. And he was reappointed by President Eisenhower.

Senator JACKSON. I am sorry. I didn't mean to leave out Roland Harriman from the list.

I do say, in all seriousness, I think it is one of the fine examples for other firms to follow, Senator Bush.

Senator BUSH. I again say that the Governor himself has encouraged this, without which I am sure the rest of us would not have been able to do what little we may have done.

Senator JACKSON. It is true, Governor Harriman, that you started the ball rolling in 1933 when you first went to work for Mr. Roosevelt, and then followed Mr. Lovett and Senator Bush and your brother, Roland Harriman.

Mr. HARRIMAN. My great regret was that I was already committed to support another gentleman for the Senate when Senator Bush announced he was going to run for the Senate. And, so, I didn't enter the campaign. I am very much gratified that my partner has taken a strong position in many directions that I approve, and we reserve some for argument.

Senator JACKSON. Maybe some of the strength of Brown Bros., Harriman is that there is a wide range of views within the firm on all matters.

Mr. HARRIMAN. That is as it should be in our country.

Mr. PENDLETON. Governor, in your prepared statement, you indicated there is very little communication between the American ambassadors and their staffs of the different countries. Has there not been a practice for the embassy people within a region such as Latin America or Africa to meet periodically with representatives from the Department of State to coordinate policy for that particular part of the world?

Mr. HARRIMAN. I don't know if you heard my testimony. I added a sentence there as to periodic area meetings now being held by the Assistant Secretary. I said that they are good but they are not adequate. I think they are excellent.

I was told—and I don't know whether it is true or not—there wasn't enough money; some of our ambassadors wanted to send their staff members to other countries in South America but there wasn't enough money to allow the travel.

But this is something that dates back before the present administration, and I am not being critical of the present administration. It has existed for some time.

Since many questions have an international, or regionwide if not worldwide implication, it becomes increasingly necessary to bring together individuals in our missions in different parts of the world.

Mr. PENDLETON. In the next paragraph of your prepared statement you refer to the period of time of service of the Foreign Service people in posts. Recently, I believe, the period of service has been increased to 4 years. Do you think that that period should be increased?

Mr. HARRIMAN. I didn't realize that. Generally speaking, it has been shorter than that.

I think that is a move in the right direction.

I think it depends on the post, on how long you keep someone there.

The maximum number of Foreign Service officers should have service either in Moscow or some of the Eastern European posts or some place of Communist domination. That is from the standpoint of education. There is no use leaving them there too long. They get very little value out of the post after a certain period of time.

I would move them fairly fast so as to rotate them. I would have more flexibility as far as the ambassadors are concerned. There ought to be flexibility, depending upon the post and depending upon the individual involved. Take certain individuals: We had an agricultural expert in Russia. He knew Russian and had studied Russian agriculture for years. He was enormously valuable. Such a man ought to be kept in the area. On the other hand, we should have a cross-fertilization of concepts. I found it of considerable value to have in Moscow men from our China posts. That did us a lot of good and it did them a lot of good. I am not suggesting that we specialize too much or that people are left to become too set in their ways.

Mr. PENDLETON. In your prepared statement, while discussing the selection of ambassadors, you cite Cuba as a case in point. Just what was the point that you had in mind proving by the citing of Cuba?

Mr. HARRIMAN. Senator, do you want me to answer that question? I would rather not. It deals with personalities, and I would rather not put in the record personalities. If I may have that permission.

Senator JACKSON. I think it can be stipulated, as the chairman recalls, that the Ambassador to Cuba at the time in question was a political appointee; was he not?

Mr. PENDLETON. I don't believe the statement here refers to a particular time. I merely wanted to cite the fact that Mr. Bonsal, the present Ambassador—

Mr. HARRIMAN. He is a man that I have the highest respect for, and he was assigned to me as political adviser when I was Ambassador in charge of the Marshall plan in Paris. I am delighted to see him there, and I wish him well.

I would like to say that Mr. Castro is exploiting an anti-American feeling. I have no brief for Castro, and there is nothing about him that I like, but I think that we should do a little self-analysis to know why it is that he can find this anti-American feeling to exploit. We are not here today to do that, and, so, I would rather not go into it in too much detail.

But it does turn back to the fact that we have a history in Latin America, dating back many years, when American companies did exploit the people and showed very little interest in the economic welfare of the country. That is one of the dividends we are getting today.

This has nothing to do with the last decade, but goes back into early history. Therefore, I do think it is very important for us, Mr. Chairman, to give consideration to the manner in which we do attempt to make a great point of American property rights.

I believe, of course, in supporting American property rights, but I would prefer to see that done on a multilateral basis, and have many of these things referred to the Organization of American States. Rather than attempt to battle it out bilaterally. Cuba has a long history. It dates back to the time of transfer of these lands from the small farm economy to the great sugar-producing economy which made paupers of the peasants, gave them 5-month jobs at very low rates of pay. No matter who owned the sugar companies, they were bound to be unpopular.

In dealing with Cuba, as well as other parts of the world, we should try to understand what is happening. We are too ready to assume that we are liked everywhere in the world regardless of what is happening.

Basically, I think there is a disposition for most people to want to like the United States, but that is not always true.

Mr. PENDLETON. Further down on the same page you indicate:

I do not believe * * * that the Secretary of State should have the operating responsibility for the * * * foreign aid program.

That is the present situation, is it not? He does not have the operating responsibility?

Mr. HARRIMAN. That is right. But it does not have the prestige that it used to have as an independent agency.

Mr. PENDLETON. Discussing the last paragraph on that page, about the foreign aid program, I believe you indicated the relationship be-

tween foreign aid and military defense, and that military defense should not be carried out at the expense of mutual security programs.

Mr. HARRIMAN. What I said was that I thought we were making mistakes when we only say that if there are arms limitations we will divert a considerable part of the saving in arms expenditure to our foreign aid programs.

I think, if it is desirable in the welfare of the world and in our own welfare, to expand those programs before we get the benefit of a reduction in military expenditures.

To be plain, I think it is a very good thing for us to suggest, that if we do have an arms limitation, it will be substantially increased, but I do not think we should appear to the world as being only willing to expand our economic aid if there is arms limitation.

Mr. PENDLETON. I believe that is the position of General Lemnitzer, too, the Army Chief of Staff.

Mr. HARRIMAN. I am glad to hear that. General Lemnitzer and I were very close friends when he was first assigned as a junior officer early in 1948 or 1949, when NATO was beginning, and I gained a great respect for his judgment. I would be glad to associate myself with his testimony about international affairs as I know so much about his thinking.

Mr. PENDLETON. In his statement on March 7, 1960, he says:

We are unanimous in our belief that not a single dollar should be added to our respective service budgets if that dollar had to be taken away from the mutual security program.

Mr. HARRIMAN. That confirms my statement that I give him a blank check in supporting his point of view. He was one of the finest officers in the service, and a man who thoroughly understands the international implications of what we are doing, both military and economic.

Mr. PENDLETON. In discussing the fourth dimension of foreign policy you made a statement to the effect that we should not try to sell the free enterprise system abroad. If I don't quote you correctly, would you correct me?

Mr. HARRIMAN. I think I said our objective is not solely to sell the free enterprise system abroad, or that is what I intended to say. What we should try to sell is our concept of freedom, independence, and the worth of the individual, and some of the basic concepts of our great Declaration of Independence.

There is nothing in the Declaration of Independence which describes the free enterprise system.

Now the free enterprise system is something that we can't fully export. I am not sure that many people or businessmen who talk about it really fully understand it. Our American free enterprise system has been undergoing a very considerable change in the last 30 years. There have been greater mergers and more domination by the large companies. Our system permits the widest latitude for individual initiative and, at the same time, the Federal Government's responsibilities for the social welfare is increasing and, since the Employment Act of 1946, a responsibility for the welfare of our economy as a whole.

That is going on regardless of political party, and it is going to continue.

Now the thing that I object to, I would like to get in the record if I may: I have been told that we are not permitted to finance a government-owned steel mill because ideologically we think steel mills ought to be owned by private enterprise.

Now, as a result of that, we find that in India that the Russians, British, and Germans finance the Indian Government on steel mills and we have not. We have stayed clear of them. I understand that is true in other countries.

If the steel is developed it is going to help private enterprise in India. Today small industry can't develop because of lack of steel. It would be folly for anybody to imagine that private enterprise could develop steel mills in India to the extent needed. In India steel is one of their most logical developments, since they have good coking coal and cheap iron ore, and it is logical for India to make steel. They will make steel as cheaply as anywhere in the world.

Now there just isn't \$1 billion of private capital in India to build these steel mills. American private capital isn't going to finance it. Therefore, for us to not recognize that because it offends our ideological concept—is the trouble.

I decry our permitting Khrushchev to continue to shout "This is a battle between capitalism and communism." Nobody knows just what capitalism means. The battle is between dictatorship and democracy, between freedom of the individual and the dignity and worth of the individual and the all-powerful state which he is supposed to serve. That is where we ought to get our ideological battle going. It is not in the area of some economic theories that some people may have, and I am glad to have the opportunity, sir, to correct any misunderstanding that there may be.

I would like to say that I am for private enterprise, and I think private enterprise is of tremendous value in our own country, and, insofar as we can promote it abroad, that is fine. It is of very great importance.

When I was Secretary of Commerce I made some proposals which later on were accepted in the tax field, to promote private enterprise. But we shouldn't be putting it forward as an ideological objective.

I think I have said enough to make it clear that I am not trying to oppose private enterprise or the free-enterprise system so much as trying to put it into its place. Our own system is not a fully exportable system. It has been developed for our own consumption here at home.

Mr. PENDLETON. There is no reason we shouldn't talk about it because of what it is in this country, but we should not establish it as a condition of the granting of assistance and aid to another country.

Mr. HARRIMAN. That is right, and I think that we have lost, Mr. Chairman, by our refusing at times to finance some government-owned enterprises only because it seems to be against our ideological conceptions.

Let me be quick to say I would not finance an operation by a government abroad that could be financed by some American or British or other private enterprise. But where it can't be done, I see no reason why we shouldn't help the government finance it if it is a sound project. In India at the present time about 90 percent of all industrial activity is in what they call the private sector. The steel

mills will substantially increase the amount of steel available in the private sector, and, I think, will tremendously increase the private industry within India. At the present time steel imports are being held down because they haven't foreign exchange. The same thing is true of such things as fertilizer. No one is going to put money in fertilizer, and yet there seems to be no doubt that the Indian agricultural production could be almost doubled if they can get enough fertilizer.

You can promote private enterprise in many ways by government investment.

Forgive me for spending this time, but I didn't want to give any impression that I was opposing private activity.

Senator JACKSON. Simply stated, we have no right to insist that other people be made over in our complete image.

Mr. HARRIMAN. That is right.

It is impossible to do it, and, in the second place, we shouldn't want to do it if we could.

Senator JACKSON. Isn't it a fact that free private enterprise is only known to the North American Continent? There is a vast difference between capitalism and free private enterprise, and they have had capitalism in Europe, but there are cartels and all sorts of arrangements of private property. It is a vastly different concept than ours.

If we got into the economic hassle, I can well imagine the difficulties that we would have with our own allies. One of the most faithful members of NATO, Secretary-General Spaak, is, I believe, a Socialist. So, if we got into a question of the exportation of our particular concept of private enterprise, we would be in immediate difficulty with our best allies.

Mr. HARRIMAN. The harshest words which the Communists have used have been for the Social Democrats in Europe, Ernest Bevan and Spaak and others. They have reserved their harshest criticism for them. They would like to see reactionary governments in as many countries as possible because they think that they have a better chance against them.

I think that we are going to win the battle because we are moving in the direction of greater social consciousness.

Mr. PENDLETON. Now, in your prepared statement, you say:

The Secretary of State must, of course, control the policy of the agency responsible for information * * *.

That is the present arrangement, is it not?

Mr. HARRIMAN. I assume so, yes. But, as I said, this is an argument that has gone back and forth in the information agency as well.

I want to underline that these agencies have been inside and outside of the State Department so often—I am not dealing on a partisan basis; I was making my judgment on the basis of the longer-range planning.

These agencies have been moved inside and outside of the State Department, and as I have vigorous views on the subject, I wanted to express them.

Mr. PENDLETON. In connection with your prepared statement—in order to keep this bipartisan as you have indicated and as we are making the study—I would like to refer to some of the people in the

present administration who could meet the requirements you have suggested here. I would like to see whether you agree that they do meet the requirements of your test.

Gordon Gray, Special Assistant to the President for National Security Affairs.

Livingston Merchant, Under Secretary of State.

And James Riddleberger, head of the International Cooperation Administration.

George Allen, Director of USIA.

Herbert York, Director of Research and Engineering, Department of Defense.

Mr. HARRIMAN. Who is that?

Mr. PENDLETON. Herbert York.

Mr. HARRIMAN. I thought both Mr. Allen and Mr. Riddleberger were Foreign Service officers.

Senator JACKSON. You don't have to comment on personalities.

Mr. HARRIMAN. You left out Mr. David Bruce, who was a good Democrat, and I appointed him Assistant Secretary of Commerce, and he was left out.

I am not discussing personalities, but I do think this is a subject of very great importance. We should develop a national tradition, and it should be so set that any administration or any administrator that didn't select men from both parties would be under public criticism.

Senator JACKSON. If the purpose of the question is to get a comparison of who appointed more of the opposite party, I think we would be glad to have that put in the record.

Mr. PENDLETON. It is not that.

Senator JACKSON. I don't know what the purpose of the question is, because if it is to show that some of these people are of the opposite political party, I don't know.

Mr. PENDLETON. It is not intended to show they were members of any party. The statement of the witness was that the people should be appointed without regard to a man's party affiliation.

I do not know the party affiliation of the Foreign Service officers involved. The point was that I believe they were appointed to those posts without reference to their affiliation.

Mr. HARRIMAN. I think that he has missed the point entirely. I wasn't talking about using Foreign Service officers for jobs. Obviously, they are to be used.

But we go outside of the Government to pick people. Then you should do it without regard to party, and I think it is very healthy.

When you put in the record the number of people who were in the Truman administration, which was a continuation of the war, and which was a natural outgrowth, I regret to find that there hasn't been the same attempt that was made as previously.

Senator JACKSON. The Chair will only comment that not only was it good for the country but it was good politics as well. The country comes first. I think the appointment of Mr. Knox and Mr. Stimson was based on merit, and they were able and distinguished citizens. It didn't hurt the Democrats politically. I will be frank. I don't think other administrations have necessarily learned that.

Mr. HARRIMAN. When I was appointed Secretary of Commerce, I asked Mr. Foster to be Under Secretary, and he was a Republican. I thought, since so many businessmen were Republicans, it would be a good policy to have a Republican there, and they would feel a little freer.

Actually, Mr. Foster wouldn't have joined the administration unless he had felt the objectives were right.

Later on he had a number of important positions. He became Deputy Secretary of Defense.

Mr. PENDLETON. Obviously, under the weight of overwhelming evidence, I misread the statement at the top of page 11 of your prepared statement.

Finally, in your discussion after your prepared statement, you referred to the desirability of adequate preparation for summit conferences as a condition of success in that effort.

Has that not been the position of President Eisenhower in this field?

Mr. HARRIMAN. Well, Mr. Chairman, I would prefer not to answer that question.

Mr. PENDLETON. All right.

Mr. HARRIMAN. Unless we go off the record, because I am not here to criticize President Eisenhower. I have expressed my admiration for him, and I don't wish to put in the record anything else.

Senator JACKSON. Your request is honored.

Mr. PENDLETON. I have no further questions.

Senator JACKSON. Again, Governor Harriman, I think it is obvious to you that we are very grateful for your excellent presentation. You presented a number of constructive suggestions, and you have been most helpful. I am sure that we can profit much by what you have had to say here today.

Thank you again.

Mr. HARRIMAN. I want to congratulate you, Senator, if I may, on your leadership in bringing together so many different views, and I am sure that it will have a long-range constructive value to our country.

Senator JACKSON. We will recess at this time.

(Whereupon, at 1 p.m., the committee recessed subject to call of the Chair.)

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

MONDAY, JUNE 6, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met, pursuant to notice, at 2 p.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Mundt.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster C. Denny, and Richard Page professional staff members; and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council; Robert Berry, representing Senator Karl E. Mundt; Theodore F. C. Crolius, administrative assistant to Senator Javits.

Senator JACKSON. The subcommittee will come to order.

The Subcommittee on National Policy Machinery continues today its consideration of problems of policymaking at the highest level, with special reference to the National Security Council.

Our threefold purpose continues to be to determine the adequacy of the national security policymaking apparatus, to assess the effectiveness of the means for coordination of policy implementation in the executive branch, and to make constructive recommendations for reform, where appropriate.

Our witness this afternoon has dedicated more than four decades of his life to the service of his country. His distinguished naval career, spanning two World Wars, has been recognized by the award of the Distinguished Service Medal with gold star, and Legion of Merit with gold star.

Admiral Radford served as Chairman of the Joint Chiefs of Staff for 4 years before his retirement in 1957 to enter private business. In that capacity he had an opportunity to observe and participate in the workings of the National Security Council during a critical period. Therefore, we are particularly happy that he could join us today to discuss the subject of the Council and its operations, and such related problems as the coordination between the Departments of State and Defense.

Admiral Radford, we are delighted to have you with us.

**STATEMENT OF ADM. ARTHUR W. RADFORD, FORMER CHAIRMAN,
JOINT CHIEFS OF STAFF**

Admiral RADFORD. Is it my understanding, Senator, that in the case of anything being released, I can go over it?

Senator JACKSON. Yes.

Admiral RADFORD. In other words, there won't be anything released unless I have had a chance to read it over?

Senator JACKSON. There are three things. You have a chance to look over the record first, and if you want to take something out of this record, you may do so, on reflection. I think this is fair. We have done this with witnesses.

Two, anything relating to the NSC, the White House also has a right to pass on for release. We have worked this out amicably. So far we have not had any trouble, have we, Mr. Haskins?

Mr. HASKINS. It has been very amicable, Senator.

Senator JACKSON. So even if you are willing to have it if the White House makes a request, the Chair is certainly going out of his way to see that requests are honored.

Third would be the question of security. So we will have a three way check, you, the White House on NSC, and security.

Admiral RADFORD. That is fine.

Senator JACKSON. I understand, Admiral, that you do not have a prepared statement. Would you prefer to respond to questions that we might ask?

Admiral RADFORD. That is correct, sir.

Senator JACKSON. Suppose we start out on the NSC. I might ask this question:

What in your judgment are the most important prerequisites for the NSC as an advisory mechanism to the President? Should it be a small body, a large body? Should it confine itself to major problems, or should it get involved in many problems?

Admiral RADFORD. I would say that first the NSC is an instrument of the President's Office. Since it is an advisory body, I suppose to a certain extent its means or methods of operating are up to the President.

I personally think that it should continue to be as small as it could be to handle any particular question. There are, as you know, certain statutory members. There are others who are in attendance permanently; for example, the Chairman of the Joint Chiefs of Staff. Then others are brought in for consideration of particular items on an agenda. But generally speaking, it is and should be kept as small as possible and still accomplish its purpose.

The items to be discussed in the NSC should be important items. I think the agenda should be limited, and generally is, to important questions on which the President himself feels that he would like advice or counsel.

Senator JACKSON. Shouldn't that be a kind of guiding principle? In other words, the NSC is advisory to the President.

Admiral RADFORD. I think a lot of people are inclined to forget that. It is advisory to the President, and I am sure that the President, in working with his Special Assistant for National Security Affairs, does control the agenda, and limit it to things he feels he would like more information on.

Senator JACKSON. So on the two points, the size of the NSC should be limited and its agenda should be limited. This is sound from the standpoint of making the best possible use of the apparatus, would you say?

Admiral RADFORD. Yes. Incidentally I was in Washington and had considerable opportunity to study the proposals for the Unification Act before it was first enacted in 1947. I have always felt that the NSC was one of the best things that came out of that act. I have watched the NSC under various conditions ever since 1947. I attended some meetings when I was here in the late forties. Later I attended some meetings when I was commander in chief, Pacific. Then I attended regularly for four years as Chairman of the Joint Chiefs of Staff. So I have had an opportunity to observe it, and I think its operation has been pretty well handled and pretty well standardized ever since its creation in 1947.

Senator MUNDT. Will you yield, Mr. Chairman?

Senator JACKSON. Surely.

Senator MUNDT. Admiral, don't you think it would be perfectly proper that while the agenda would be certainly fixed by the commander in chief, the President, it would be all right to have an understanding that anybody sitting there who might want to probe the minds of those who are associated with him on some problem he has, it should be understood that he has a right to throw out some question on which he might like counsel or on some suggestion he would like to make?

Admiral RADFORD. During the meeting?

Senator MUNDT. Yes.

Admiral RADFORD. Yes; there has never been any restriction in that way.

Senator MUNDT. While the agenda would be fixed by the President, anybody would feel free to toss out on the table some particular problem?

Admiral RADFORD. They do.

Senator JACKSON. I think what the Admiral had in mind was that, with the President's responsibility covering so many different areas, he may desire to identify certain critical areas that the NSC should concentrate on so he can get the best possible advice on alternative policies and possible solutions that should be formulated.

Admiral RADFORD. That is correct.

Senator JACKSON. I agree with your comments on flexibility.

Senator MUNDT. I did not want it to look as though it were frozen.

Senator JACKSON. Some people have reflected the view that deliberations of the National Security Council actually do not have too much to do with the military defense posture, and these people take the view that in this area the Joint Chiefs of Staff and the Secretary of Defense and the President rather than the NSC play the vital role. Do you have any comments on that? Does the NSC, as an advisory body, play a substantial part in the formulation of important defense policies?

Admiral RADFORD. I would say that it does. Of course, the Chairman of the Joint Chiefs of Staff attends every meeting, if he is in Washington. If he is not there, the next senior member of the Joint Chiefs attends and sits next to the Secretary of Defense. I remember that when I relieved General Bradley and reported as Chairman, the

President told me never to hesitate to speak up, even though I was not a member, at any time in the course of the meeting on any subject that I thought was of importance. I did that. In other words, that was an independent action that I could take, without necessarily warning the Secretary of Defense in advance.

The National Security Council has an opportunity to become acquainted with all the defense policies, and I would say in the ordinary course of events it would have an opportunity to comment on important questions of policy.

Senator JACKSON. Now, if I might turn to the budgetary process, some people feel that the NSC should be tied more closely with the budgetary process. They feel that policies proposed in NSC and within the budget work independently of each other. In other words, should the budget process enter into the picture at the time policies are being proposed to the President for his approval? Do you have any comment in that area?

Admiral RADFORD. I think generally speaking that is the case now. On the other hand, again it becomes a matter of the individual President and what he wants. He is the man who is responsible. If he wants to do it another way, I presume that is his prerogative.

Senator JACKSON. Your recommendation is, of course, that inasmuch as the NSC is indeed an advisory instrumentality of the President, it should be conducted and should be set up in such a way and used as the President sees fit, with great flexibility.

Admiral RADFORD. I am sure the President will use it increasingly. It is an increasingly important adjunct of his office.

Senator JACKSON. Do you have any comments on the operation of the Operations Coordinating Board, during the time you were Chairman of the Joint Chiefs? There has been some strong difference of opinion on whether it is doing its job or whether its usefulness can be improved upon. If you have any comments or suggestions we would appreciate it. All of this, as we told you, is an attempt to be constructive.

Admiral RADFORD. The OCB is a vital adjunct of the NSC. It is supposed to police the implementation of policy, to see that the policies established are being carried out and report back to the NSC any problems in connection therewith.

My feeling is that the OCB, or the membership of the OCB, consists of men who have important jobs. The only comment I would have is that I don't believe that they can always afford to give it the time that it should have. I have wondered if the OCB should not have one or two very competent men on an almost full-time basis. On the other hand, the advantage of the present membership is that it is drawn from State, Defense, CIA, USIA, ICA, and I forget just who the others are. In other words, they are drawn from offices which have an interest and jurisdiction. Maybe the chairman of the OCB should be an independent individual, full-time. But I do know, for instance, that the Deputy Secretary of Defense who is a member of the OCB had great difficulty in finding time to attend these meetings. I am sure the Under Secretary of State did, too.

I think the big question which you should ask some of the members of the OCB is whether they feel they can devote enough time to do the job.

Senator JACKSON. In this same connection, wouldn't it be helpful if they could monitor the implementation of the key or critical policy decisions?

Admiral RADFORD. I think that is what they try to do. However, they are necessarily in the hands of their staff to a large extent, because they are very busy men, all of them.

Senator JACKSON. Your thought is that some permanent follow-through, or permanent watchdog might be a constructive way of handling it.

Admiral RADFORD. Maybe one member. Maybe the chairman of the OCB might be a very capable man with no other job.

Senator JACKSON. I personally feel that this idea is sound. We all know that in a governmental setup such as ours, and the size of ours, you can decide on a policy—even the President can—but it can get chopped to pieces on the way down through the various levels of bureaucracy. This is a problem common to all Presidents.

Admiral RADFORD. That is right.

Senator JACKSON. I am not referring to any one administration. I am sure you have seen evidence of this kind of situation. I think Gordon Gray is now the chairman of OCB.

Senator MUNDT. Yes, I just noticed that in this report.

Senator JACKSON. He has other responsibilities and other duties because he is the Special Assistant to the President for Security Affairs. He has responsibilities in the whole area of national security as the adviser to the President in the White House.

We have had some testimony from several witnesses on the tremendous number of inter- and intra-departmental committees involved in the decisionmaking process. This again is a part of the system that has existed for many, many years. I say it applies to all administrations. I just wonder if you have any comments on this committee system. We have had a lot of adverse testimony regarding committees, and criticisms that as instruments of government they do not seem to be too effective. It appears that there is a tendency to use committees to defer action on a problem. Some of our witnesses have made the distinction between committees in which the chairmen can make decisions, and other committees in which no one can make decisions and a lot of time is wasted.

Dr. York pointed out that he had two or three committees which he chaired and he was able to make decisions. Other witnesses have pointed out that they have a problem and that it has been a part of our difficulty in the executive branch over many years.

I wonder if you have any comments you might want to make, Admiral.

Admiral RADFORD. It has always been interesting to me to hear people say that we should not have as many committees as we have, or we should get along without committees, but I have never heard of any really good suggestion as to how we would function in our Government without committees or the committee structure. As far as I know, every government with which I have had anything to do or any acquaintanceship has had committees. Big corporations in the United States have to have committees. It is a device to keep various parts of the organization acquainted with what is going on in the other part. Not all committees are set up for the purpose of making

decisions. When you talk about 900 committees in the Pentagon, probably 850 do not meet very often and are more in the area of keeping various offices informed of what is going on in other offices. The really important committees that function quite often and have to make recommendations to higher authority—in other words, have to come to some kind of agreement—are rather limited in number. I know of no other machinery that we could devise that could do what the committees do.

I have never seen any expert on organization that had anything to offer to take their place. I think that they are a necessary part of our Government's structure. For the most part, if the committee is not functioning well, it probably is the fault of the chairman, or there may be one difficult member who causes trouble. The chairman of a committee in my opinion today in Washington can either get on with his job and get the work done, or he can stall around and have a lot of trouble, one of the two. I think good chairmen get good results out of committees. I think we should continue to have them.

Senator JACKSON. Would you say that it would be helpful, however, in setting up committees, to empower the chairmen to make decisions, after full discussion? People have said you should take a vote and so on like you do up on the Hill, but there is a distinction. The executive branch is not a legislative body and people who do run the executive branch have a responsibility to make decisions.

Admiral RADFORD. I would hesitate to say that the committee chairman or somebody has to make a decision because all of these committees, or practically all that I can think of offhand, are advisory to someone in the higher echelon, who wants information from this group of men. He wants to know if there are differences of opinion. In other words, he would like to know if the majority favor one line of action, with a healthy minority another line. Or he wants to know if there is only one man opposing the whole group. As a rule, the decision has to be made by an officer or someone in the organization who is advised by this committee.

Senator JACKSON. I didn't mean a decision in that sense, because the committees are usually at a lower level. What I had in mind was someone to give an advisory recommendation so that the man who must make the decision ultimately would have a clear recommendation.

Admiral RADFORD. I don't know of any instance where a good chairman of a committee cannot produce a recommendation when it is needed, if he is on the job, even though the committee is split.

Senator JACKSON. Now, I wonder if I might turn to the problem of coordination between State and Defense. Do you think that it might be worthwhile to give some thought at least to establishing what we might call a joint career service, or a senior staff corps, composed of a small and carefully selected number of military officers and senior civilians in State and Defense and related national security agencies? The thought behind this is that in the interest of broadening their experience, these people would serve tours of duty in a number of departments and agencies. They would be given special opportunity for advanced training. One might start such a staff corps on a trial basis. We have had some fine military officers who have

performed great service to the country in the Department of State; for example, General Bonesteel.

Admiral RADFORD. I know him.

Senator JACKSON. And others, because of fine training and good heads, have rendered outstanding service. As we all realize, the problem of national security is so tied in with foreign policy. There is no sharp line of demarcation between the two and the need to know between the two Departments is getting more and more important as time goes on. Do you think we could improve upon the process in this area?

Admiral RADFORD. It is not clear to me exactly where this select group would work.

Senator JACKSON. For instance, what I had in mind was this: Let us talk about the Defense Department first. We have three or four outstanding staff men in the military service who have demonstrated that they would be eminently qualified to assist, we will say, the policy planning staff in the State Department. You might want to send one of them to serve there. But for many reasons you might not want to have a military officer in uniform over in the State Department serving in that capacity. You would select a certain number of these officers to serve not only the policy planning staff but in some other department, and some people from State could go over to the Joint Staff to assist over there. They would be known as part of a senior officers corps with special status. The military officers would no longer be subject to regular tours of duty out in the field. Their military pay and retirement rights would be protected, and we could give them additional compensation.

Admiral RADFORD. I would say, first, I have always been generally afraid of these career specialists groups. My limited experience with people in that category has been that they are liable to become too parochial in their outlook. They stay too long in one place. There have been suggestions, for instance, that the Joint Staff in the Pentagon be composed of officers who have been selected from the various services and made into a permanent Joint Staff, instead of having rotation from the various services.

I would much prefer to have the present system where the officers rotate. You get a fresh point of view. The great danger with a career organization, as I would see it, would be that they would lose touch with anything but their specialist work. They would not have the broadening influence of going away and coming back. In my opinion, if you asked one of these bright planning officers if he would like to become one of the elite group and stay here in Washington, he would say "No," especially if he wanted someday to be the Chief of Staff of his service or Chief of Naval Operations. Should you talk to outstanding young Foreign Service officers, you would probably get the same answer. They would much rather become ambassadors and go on up in the Foreign Service than stay in Washington. You would have a hard time offering them a more interesting career and more compensation.

Senator JACKSON. My thought was that you might make it so attractive that they would want to follow this new career. I certainly agree with you, that if they wanted to be in a command position at the top, they would have to stay in the regular military service.

Admiral RADFORD. I wonder if you could make it more attractive. I would be afraid that an organization of that kind would become too limited in its outlook.

Senator JACKSON. Of course, I do not assume they would be tied down to a specific Washington assignment for good. But maybe some better use could be made of a limited number of individuals who have demonstrated unique qualifications. Some of them could even become ambassadors. They would lose their military status, but they would be in a well-recognized and honored corps where they could further serve the country.

I am sure you have been impressed as I have in going down to the War College and talking with students. I think in many respects some of the students are as well or better informed than some of our Foreign Service people in the area of diplomacy.

Admiral RADFORD. Of course, we have Foreign Service students down there, you know.

Senator JACKSON. Yes, a limited number.

Admiral RADFORD. I have been serving on the Board of Consultants at the National War College. I would favor increasing the number myself.

Senator JACKSON. The number of Foreign Service students at the War College?

Admiral RADFORD. Yes.

Senator JACKSON. I am glad to hear you say that.

Admiral RADFORD. In the first place, I could say that in my opinion we have quite a few military officers and Foreign Service officers who are qualified in the field of foreign policy and national security affairs; Bonesteel is an example, and I could pick out 15 or 20 individuals who are, I think, of that caliber.

Senator JACKSON. I only mentioned him as an example.

Admiral RADFORD. Yes. I think we are fortunate, really, and this is not accidental. The National War College has been doing a pretty good job of turning out people who are going to grow into these experts. I would say that as of right now, today, the United States is pretty well fixed, and we will be even better off if we continue to handle the problem as well as we have.

Senator JACKSON. Along the same line, what about an exchange of persons between the Departments of Defense and State, for limited periods? We have had some of that from time to time. Do you feel that this should be encouraged?

Admiral RADFORD. There is nothing that prevents it now. I might say that there are military officers serving in a number of departments around Washington, not just in the Defense Department. But the great problem, if you are a young officer on your way up, and somebody says, "We want you to serve on the State Department policy planning," you don't want to at all. Your career is in the military. You don't want to have some State Department officer filling out your fitness report for a couple of years. You would be afraid that it might jeopardize your position in the Defense Department.

Senator JACKSON. Don't you feel that there needs to be more and more training in international political problems on the part of staff officers who are working on military plans? I realize the things you

refer to have been going on in the past, but there is a change going on. Don't you think that the military should meet it?

Admiral RADFORD. I think we are meeting it. All the service war colleges, the National War Colleges and the Armed Forces Staff School, are concentrating on training our military officers in the broad field of politico-military affairs. They are doing an excellent job.

Senator JACKSON. They take the course at the colleges. But what I am asking is whether you think it would be helpful if they actually got into the departmental operations for 2 or 3 years or whatever the case may be.

Admiral RADFORD. The State Department has their part of the job to do and the Defense Department has their part of the job to do. There is good liaison between the two groups. I for the life of me cannot see any reason for the State Department to have a military officer over there. They can get advice any time they want. I used to go over and give briefings to the top people in the State Department from the Secretary on down. They could ask me any questions they wanted to. I would have been glad to send anybody over there for a temporary assignment if they wanted to get some further information.

Senator JACKSON. For example, I am suggesting possible temporary service in the State Department of an outstanding military officer who has demonstrated he is not only a good military planner, but that he understands the meshing of military planning with foreign policy. This understanding may become critical in certain areas in deciding what we want to do in providing military aid to a country, or what we might do in a limited war.

Admiral RADFORD. They set up these ad hoc committees to do exactly that. You will find that joint State-Defense Committees are set up from time to time to study a particular problem which may go on for 4 or 5 months.

Senator JACKSON. I have other questions, but in view of the time I will call on Senator Mundt.

Senator MUNDT. Thank you, Mr. Chairman.

Admiral, it is good to have you here. I have two types of questions. One is dealing with this National Security Council, and the other one I would like to probe the mind a little bit about the general defense picture.

Do you think that the executive branch has an adequate long-range planning policy for the cold war? Are we looking far enough down the road and setting up a plan of the way we would like to have things eventuate if everything comes out according to our blueprints? Is that part of the work of the National Security Council or is it part of the work which is being handled some place in Government? I have a feeling that the Communists look a long way down the road. Incidents come along that tend to change their tactics, but their ultimate objective remains pretty fixed and pretty constant.

I wonder if in this cold war on the free side of the world we do that job with equal decisiveness.

Admiral RADFORD. Senator, in the military we have long-range planning. We have tried to visualize where we are going, and where we want to go for some considerable years in the future. The State Department has a less tangible area to work with there. I think the

executive branch of the Government does try to forecast where we are going and where we would like to go, but we are not like the Communist government. The Communist government has a firmly fixed objective, and that objective is to dominate the rest of the world by hook or crook. Our objective is to live in peace and to be let alone. Having that attitude, which I think represents the attitude of the American people, we are probably going to be caught off guard in many instances, because we cannot always make firm plans ahead.

One of the reasons is that because of the appropriation cycle and other factors, all of our plans are subject to a large extent, to a year to year review by the Congress. The United States under our form of government is not able, in my opinion, to do what the Communists can do in connection with long-range planning.

Senator MUNDT. We can't do it certainly by the direct action process that they employ, by gobbling up a free country or creating an incident in Berlin or stimulating some activity in Asia by Mao Tse-Tung. But I think the President has stated it quite clearly, peace with justice. After all, that is all we want in America, world peace with a maximum degree of justice for people everywhere. I am wondering whether in our long-scale planning we map out our foreign military installations and foreign policies and our economic aid program, and all the rest, so that we can sort of envision where we will be in 1962, 1965, and 1970, in achieving this objective of peace with justice, provided things go according to the plans we set up.

Admiral RADFORD. We do try to do that. I was a member of the Draper Committee which studied the mutual security program a year and a half ago. One of the recommendations of that Committee was that the mutual security program be put as a minimum on a 3-year basis. In my experience as the Chairman of the Joint Chiefs of Staff and traveling around the world, I found that it was most inefficient to have to work on an annual basis in this military aid program. It makes it very difficult for our allies. They have to plan. They have their own budgetary problems. They need to know 2 or 3 years in advance what we are going to do so they can fit it into their plans. This is absolutely essential in order to achieve maximum efficiency in planning. I know that the Defense Department tries very hard to plan ahead. As a matter of fact, in the Defense Department budgetary process, we are actually planning about 3 years in advance, sometimes 4. For example, some of the longest leadtime items for which we are asking money for this year won't be delivered for 4 years. But they are in the budget.

At any given period of time it is very difficult to change the direction in which you are going. If, in any given year, you wanted to change our policy objective radically you would have a hard time finding all the areas where it would be necessary to stop and start off in another direction. In other words, we are working, I would say, at least 3 years and very often 5 years ahead toward an objective of one kind or another.

In the foreign policy field, that objective cannot be quite as firm and the planning cannot be quite as hard and fast as it can be in the more tangible military field, but I think we are learning a lot more about it and are constantly doing better.

Senator MUNDT. Is the formulation of policies of that type and long-term goals something that is part of the function of the NSC?

Admiral RADFORD. The NSC monitors the departmental studies and pulls them all together in that field; yes.

Senator MUNDT. Admiral, do you think we have gone as far as we can or as far as we should in the unification of the Armed Forces? Since the chairman and I have been in Congress, we have passed this unification law, and everybody had high hopes of great economies, great standardizations, and great procurement efficiencies. Do you think we have moved as far and as fast in that direction as possible?

Admiral RADFORD. Senator, I would say that we have made enormous improvements in the overall military picture. I would say that it is probably true that if we had not taken the steps we did in 1947, the events of the last decade would have caught us very badly off guard. I think that we have room for further improvements and some of them are being made. I testified almost 2 years ago on the last reorganization act, which I thought was a step forward. I still think that we may have to take some more steps. But my own feeling is that the military organization is better than it has ever been in the past.

Senator MUNDT. We hear criticisms and read them sometimes, and I don't know how well founded they are, that the chiefs of the services are somewhat hampered in having direct access to the respective Secretaries. Do you think that is a valid statement?

Admiral RADFORD. I think that is absolutely untrue. I do think that the chiefs of services have access—and as far as I know they always have had—to any Secretary that they want to see, and to the President. Of course, they can't overdo requests of that kind. If they have a good legitimate reason to see anybody above them, they can do it. The one area I am not satisfied with is this: I am not convinced that the Joint Chiefs of Staff can continue to be composed of the service chiefs. I think it is a little bit too much to ask of a man to take off his service hat and come in that room and I don't think he does.

Senator MUNDT. Have you any suggestions to make in connection with the problem of recruitment of executives in the Department of Defense? We always hear it said it would be better if we could get the top men of the country to devote themselves for a long period of time to these problems. But you never really achieve that goal. Have you any suggestions to make on how we might get the best people, the best brains, wherever they are available, in this all-important job?

Admiral RADFORD. Senator Mundt, I think that is one of the most serious questions we have to face in Government today. Our Government is set up to operate with noncareer civilians running the various departments. In other words, you read under the unification act that the military services are supposed to be under civilian control and that civilian control comes in from civilian life. However, most of them don't stay there long enough to exercise effective control.

Senator JACKSON. They have not completed their briefing yet.

Admiral RADFORD. No. In these civilian jobs they should stay, I would say, a minimum of 3 years to really be effective and make it worthwhile.

Senator JACKSON. I think President Eisenhower in his speech at Notre Dame last night recommended 4 years.

Admiral RADFORD. I would also recommend 4.

Senator JACKSON. Excuse me. I did not mean to interrupt.

Admiral RADFORD. I would say 4 would be better. The conflict-of-interest laws often prevent the right caliber of man from coming into Government service at the right age level. I would say that there are many men between 40 and 55, the prime of life, for doers, who will not consider coming down here because of the conflict-of-interest laws. Some of them come down and can't get confirmed when they find out what the rules are.

Senator JACKSON. I made a speech on that problem 10 days ago.

Senator MUNDT. Did you have an answer?

Senator JACKSON. It is in line with the testimony before this committee. I think the cold, hard truth is, Admiral, that we get these people in time of war. Yet the need for these people is just as urgent today as in time of hot war, because we are, in fact, in a war. I pointed out in my remarks to the recent meeting of the National Executive Reserve, that the conflict-of-interest statutes are archaic. On this point we recently had most helpful testimony from Mr. Greenewalt of du Pont and Mr. Boeschstein of Owens-Corning Fiberglas Corp., Prof. Bayless Manning of the Yale Law School, who is an outstanding authority on conflict of interest, and Mr. John Corson, who is very able in this field. For example, one ludicrous situation involves the man in a New York law firm who was asked by the President to come down and serve on the Fine Arts Commission, and he could not accept because his law firm would have to give up all its antitrust and internal revenue litigation.

These statutes were passed years and years ago, and need to be revised.

Then there are a lot of other problems, including the preservation of certain stockownership rights, and pension rights. Young executives are reluctant to come down here right in their prime. Yet they are the very ones we need.

Senator MUNDT. You can't get them now until they have made it financially to the point that they can afford to retire, which means 90 percent of the time they are going on up in the age brackets.

Senator JACKSON. When we are in a hot war, we do not have any hesitancy in doing what is necessary to get the people we need. Just because the cold war is not always so dramatic in spelling out the danger, we do not take the necessary steps. Here is what the President said at Notre Dame. We will have the President's statement included in the record, if there is no objection.¹

Let me just quote this print from the President's address:

This does not mean that you need become permanently implanted in Government. Quite the contrary. In policy-forming positions we constantly need expert knowledge and fresh points of view. Some frequency of withdrawal and return to private life would help eliminate the dangerous concept that permanence in office is more important than the rightness of decision. Contrary-wise, such a tour should not be so brief as to minimize the value of the contribution and diminish the quality of public service. Normally, a 4-year period in these policy posts would seem to be a minimum. Most leaders from private life who enter the public service do so at a substantial sacrifice in the earning power of their productive years.

¹ The full text of President Eisenhower's speech at Notre Dame on June 5, 1960, appears on pp. 687-690.

This is very much along the line of the speech I made a couple of weeks ago.

Senator MUNDT. I am perfectly willing to have that speech go in the record, too. I think it might be a good contribution. I really do. You might hesitate to ask it, but if you think it is pertinent, I ask unanimous consent that it appear in the record.

Senator JACKSON. Thank you, Senator, we will do that.² I want the committee to seriously consider a draft resolution which I think would be helpful to the next President whoever he is. In this resolution the Senate would express its opinion that people who come down here are expected to serve a reasonable period of time. While we all realize that we should make the climate as good as possible, I think it would help the next President if he could tell his prospective appointees that they will be expected to stay a reasonable period and that the Senate has expressed its opinion, exercising as it does the constitutional power of giving its advice and consent. I have a rough draft that I will submit later.

Will you excuse us, Admiral? We have a rollcall.

(A brief recess was taken during which the meeting was moved to room 3110, New Senate Office Building.)

Senator JACKSON. We are sorry about the delay, Admiral. Senator Mundt.

Senator MUNDT. Admiral, in view of the probable duration of the cold war, do you feel, first, that our defense program is adequate, and second, that the United States is strong enough to defend itself against this Russian or Communist threat?

Admiral RADFORD. I would say, Senator Mundt, that as of today we have the most powerful military force in the world, and the only reason that the free world has the peace that it has is because of our military strength today. Our military programs are constantly being reviewed, and I presume that will continue, and that we will maintain a powerful force. I think the Russians respect our military strength.

Senator MUNDT. Do you think that the rest of the free world has been adequately apprised of our strength, and that they recognize the fact that we are as strong as we are? Do they tend to downgrade us, perhaps?

Admiral RADFORD. I think that the leaders in the rest of the free world do understand this. In many instances, for their domestic political reasons they won't say so or say so publicly. But I think that, in our country, our own press sometimes inadvertently creates doubts in their minds and the minds of the people of the free world. When you travel around the world, as I did when I was Chairman, two or three times as well as on other occasions, you see these columns with a Washington dateline critical of the programs here and downgrading our efforts. They are usually milled out and reprinted in full around the world, whereas other official statements usually get very little treatment. I would say at present we are very apt to downgrade ourselves around the world, thereby giving an incorrect image which the Communists can and do exploit.

² The full text of Senator Jackson's speech on May 23, 1960, before the second National Training Conference of the National Defense Executive Reserve appears on pp. 690-693.

Senator MUNDT. It might be a job for the Voice of America to undertake. It is a little hard; we don't like to brag.

Admiral RADFORD. It is a little hard for them to do it. The international press is the best means of reaching the people.

Senator MUNDT. As a part of our overseas information program, we bring in at different times leaders from abroad, journalists from abroad. Maybe we should accentuate that and let them kind of come here and get the feel of things.

Admiral RADFORD. I would say it is something on which we ought constantly to try to do a better job.

Senator MUNDT. Let me ask you a corollary. How about the American public? Do you think they are adequately informed concerning our military capacity?

Admiral RADFORD. I gather from my last 3 years of contact with the public since I retired that many of our American citizens also are somewhat puzzled by the great controversies that go on in this field. They are not sure what is right and what is wrong.

Senator MUNDT. We have a problem, don't we, Admiral? We want them to have a sense of security without developing a sense of complacency so that they are not bombarding Congress and saying we are spending too much.

Admiral RADFORD. That is right. This whole problem is a very difficult one, because we have never before in the history of this country, in the history of the world, had such rapid technological progress. What is good today may be completely outmoded virtually overnight. So I think the American public has to be told—and you can't do it too often—that, No. 1, this country still faces a great threat from a determined and unscrupulous enemy. For the indefinite future, a very large proportion of our resources is going to have to be allocated to our security. We are going to have to help the rest of the free world maintain adequate defenses. If we did not and if they succumbed to the Communist offensive, we would be weakened with every further one that goes behind the Iron Curtain. I think this is a continuing job that has to be done with the American public.

Senator MUNDT. You have watched this for a long time and participated in it for a great number of years. In your opinion at the present time vis-a-vis Russia, do we have a space gap or a missile gap or a defense gap or some kind of gap that we should be plugging up?

Admiral RADFORD. Senator, I am not up to date on the details of our defense program, and I make no effort to try to remain so any more. In the first place, it is almost a full-time job. In the second place, we have very able men running it. If they needed my help, I am sure they would come and ask me. I think myself that we have a very sound program. From what I know I do not feel that we have any great missile gap. However, I must admit that I am not acquainted with all the details.

Senator MUNDT. From your experience, it is imperative that our country keep even with or ahead of the Soviet Union in every category of defense, or is this something that we should try to evaluate on balance rather than to try to say that in every area of activity we have to be superior?

Admiral RADFORD. I think we have to be ahead in those areas that are critical from a military or security point of view. We either have

to be ahead or we have to be so close to what they can do that they won't think they can attack us without being destroyed themselves. I think that, generally speaking, that is what we have managed to do. Of course, you must remember the Communist dictatorship, such as Russia has, is able quickly to concentrate talent in any particular line of research or effort. They can order their people to go and work at a place and to stay there until they have accomplished the desired result. They have the advantage of having practically everything available to them that we develop over here. At least a great many of the developments that take place in the free world, and particularly in the United States, are available to them either directly through our trade magazines, or through other sources which are not too difficult. So they can get a great deal of their technological development for nothing. They don't belong to the International Patent Pool or Patent Agreement. If they get hold of a device they don't mind copying it and using it. So they can take the talent that we have to spread over many areas and can concentrate their own as desired after getting a free ride from us and others.

It is unfair, but it is a pretty difficult situation to control.

Senator MUNDT. There is one place where they can't emulate us, and they can't follow our techniques. I am wondering how big an importance you attach to that phase of our Defense Establishment which they cannot imitate, and that is the forward bases, this advanced power that we have located in a peripheral circle around Russia. That is something that they have not been able to do by stealing patents or by anything else, because they just don't have the terrain, and they don't have friendly governments close to us on which they can establish their bases. We have that, Turkey and all these other places. Is that a pretty important part of our defense posture?

Admiral RADFORD. It is something that people very often forget, Senator Mundt. We have tremendous advantages of geography in the military picture. It is one of the great assets of the free world. We surround the Soviet bloc. We have the forward bases. We control the oceans of the world pretty well, and can maintain these forward bases. Nobody realizes better the difficulties of their position than the Russian military planners.

Senator MUNDT. Reversing the position, we would feel quite uneasy if they had that advantage.

Admiral RADFORD. That is right.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Thank you, Mr. Chairman, I would like to go back to the National Security Council. As a layman and almost totally unschooled in this field, it seems to me that our security policy machinery must and probably does meet certain standards that seem rather obvious to me. In the first place, it would seem to me that it ought to have a total comprehension of all factors and forces bearing upon our national security and of the resources that we have mobilized to bring it into play in the field. It seems to me secondly, that it ought to be almost instantaneously sensitive to any changes in circumstances bearing upon our security. It ought to be responsive or readily responsive to such changes. Finally, it ought to be creative in developing whatever new approaches may be needed to respond

to these changes. This is at least the understanding of our security policy machinery which I have gained through the course of these hearings.

I am going to refer to something here and do it in what I hope will be understood as a nonpartisan way, simply to get an answer. President Eisenhower, in the summer of 1952, said that the National Security Council, as presently constituted, is more a shadow agency than a really effective policymaker.

If this was an accurate statement at the time, then the National Security Council at that time certainly did not meet the tests which I have suggested here. I would like, then, from you, if you feel free to give it, your own evaluation as to the accuracy of this picture in 1952, the picture today, and if it has improved, what has contributed to the improvement.

Admiral RADFORD. I am a little mixed up to this extent, Senator. The national security machinery is not all in the National Security Council.

Senator MUSKIE. I should have qualified my question to that extent. I suppose I should ask you first your reaction to my standards here as they relate to the National Security Council and the part that it plays in this picture.

Admiral RADFORD. I would say that in the executive branch of government those requirements that you outline are generally met. At least that is certainly the aim. In the Defense Department we watch the day-to-day military and political picture as well as we can; or more accurately the intelligence community with representation from all the important Government agencies takes care of watching the day-to-day picture and keeps the responsible officials informed.

The Defense Department is set up to follow events and prepared to take any necessary action in a hurry. The National Security Council is an organization designed primarily to advise the President. He can beef it up or he can reduce it in accordance with his own methods of doing business in order to respond to his individual needs. I don't know exactly what President Eisenhower had in mind when he made the statement to which you referred. However, I presume that in 1952 the National Security Council satisfied President Truman. I remember attending meetings of the National Security Council about that time. Its staff was probably smaller. However, all of these agencies have grown tremendously as the problems have grown. In 1952 we were fighting in Korea, but we had a sort of lull in this country from 1945 to 1950. We had not quite made up our minds that the Communists were really going to try to get us. Then we had this setback in Korea. Since that time we have developed the concept of being ready for the long pull and being ready day to day. We have become educated more and more to the point where we realize that we have an intractable, unrelenting, unscrupulous group that is just waiting for the day when we become weak enough to be jumped on. So our national security machinery has to be ready all the time now, and it has to be ready in its entirety.

Senator MUSKIE. What I am trying to convey here is that in my own judgment, and I think in the understanding of most American citizens, when we are confronted with whatever posture the Soviet Union assumes, and with any change in that posture, we like to think that

we have some mechanism or some means for immediately accommodating our own security requirements to this situation. I am trying to avoid saying that we are trigger happy, or that there is a finger on the trigger. We have to be a nimble fighter in order to survive. We on this committee have been exploring the role that the National Security Council plays in this. Can it play this kind of a role, or is it, as you have stated, bound to be simply an advisory council? Is this role necessarily one that must be played by the President alone? We know he has the constitutional authority which he cannot strip himself of. Is he the only one that can do this job that I am trying to portray here?

Admiral RADFORD. I would say No. 1, he has this enormous responsibility, and most of it he cannot escape. He can get help and he does. He has the Secretary of State who keeps him up to date and advises him of the current world situation in his area of responsibility. He has the Secretary of Defense who keeps him posted in the military area. These two principal assistants keep him advised. The National Security Council really does not come into this part of the picture, in my opinion. If I get what you are concerned about, our readiness to react, and our organization for keeping aware of changes, that part of the job is not done, in my opinion, in the National Security Council.

On the other hand, the President's Special Assistant for National Security Affairs has constant contacts with these outside agencies and with the Central Intelligence Agency. He very often may be the one who keeps the President currently advised and not the Secretary of Defense and the Secretary of State. In that way he assists them in their work. I would say if we go back to 1945 at the end of the war, when we dismantled our tremendous military machine, certainly there was a feeling here in Washington that we had done a very good job in the war. We had really destroyed our two major enemies and thought we could look forward to a sort of new period of development in the world at large. We gradually became aware that the Soviets had not been an honest ally at any stage of the game. I think it was hard for some people to believe that they were quite as bad as they turned out to be.

I know that it was in 1947 or 1948 that Mr. Forrestal became convinced that we had to really build up our military forces in a major way. He was convinced that the Communist threat was developing very rapidly and that they were not men of good will or allies in any sense of the word. We actually did not take steps to meet the military threat until the invasion of Korea. By that time our military forces were quite weak. Then we appropriated tremendous amounts of money. Since that time we have been trying to reach and maintain a level posture sufficiently strong to impress the Russians with the fact that they had better not start anything else.

We reached that stage some time around 1954, and we have maintained it since then. I think we are going to maintain it with a gradually increasing military budget. The gradual increase comes from the greater cost of new weapons and the general increase in costs that go with a large organization, and the reluctance, which is sometimes justified, and I don't want to intimate that it is not—to do away with something that is old as you get something new. In other words, the services are sometimes unwilling to eliminate something old for

everything new that they get. One of the constant problems that the Secretary of Defense has is to convince the services that there is something that they can drop out.

Then the cost of some of the new research and development programs are simply staggering. We are in areas of such magnitude of expenditures that it is hard to believe and almost frightening when the people who know what these programs cost make the estimates.

I would say that as of today, and I hope for the indefinite future, we have impressed the Soviet military men with our strength. They are the ones who have to continue to be impressed.

Senator MUSKIE. We have been told that we were misled, at least, by the Russian bomber program or its apparent weakness 5 or 6 years ago, and that we did not appreciate what appears to have been a fact then, that the Russians were at that time concentrating on their missile program as an answer to their lack of emphasis on the bomber program to compare with our own. Would you have a reaction to that?

Admiral RADFORD. I would say that is not true. There were differences of opinion. I was the Chairman of the Joint Chiefs of Staff at that time. I recall coming up before the Senate Armed Services Committee and making a presentation. There were certain members of the committee who thought that we should be doing more in certain fields. They thought the Russians were going to build more bombers. We were urged to build more. We did not think the Russians were building a big bomber fleet. It did not make sense to me, and time proved that they were not.

One of the great areas in our intelligence estimates—no matter what country—must be based on an estimate of what the maximum capability of a country in a certain area is. In other words, in this area of bombers, we would get one estimate saying if the Russians wanted to do so, they have the capability of building a certain number of bombers or missiles a year. Whether they are actually going to build that many bombers or missiles a year is something else. That is an entirely different thing. There you are trying to read their minds.

In the case of the bombers, I didn't think they were going to go all out on this new type of bomber. I thought they were going to have a steady building program.

In the case of missiles, I don't think they are going ahead and build thousands of missiles, because they know as well as we do that in the missile field today changes are liable to come very, very rapidly. You may build a thousand missiles and then come up with a new development of a new propellant or a new guidance system that will make all your thousand look pretty much like antiques. You could say they are still going to be good but that is not always true. The Atlas missile is a missile that can't be kept ready all the time. When we get another missile that can be kept ready so that a button pushed in Washington could fire them all over the United States, then all the Atlases will go out the window.

The Russians are up against the same proposition. With them maybe it is not a question of budgetary considerations because they may not worry about those things, but it is a problem of allocation of resources: how much skilled labor they put into this particular program, how much scarce material they must allocate to it, and how many of their facilities they tie up. They have to decide whether

they can afford to do a program of a certain size that way. Most of the time their production programs are pretty reasonable from that standpoint.

Senator MUSKIE. We seem to be running into another committee hearing, so I am going to limit myself to just two or three questions or statements I would like to get your reaction to.

It would be inaccurate, from what I understand you have to say, to describe the National Security Council, standing alone, as the Nation's security watchdog. This is a role that is performed really by other agencies in our policymaking machinery.

Admiral RADFORD. I would say so; yes.

Senator MUSKIE. In terms of the NSC's function, that of developing policy, there is this statement in an article by Hans Morgenthau, and I am going to refer to two of them for the purpose of getting your reaction. He says this:

The system has enabled the NSC to handle the continuation and development of established policies with a considerable measure of success. But the committee system has failed—and was bound to fail—in the vital task of initiating new policies and resolving major conflicts of views and interests among agencies represented on the Council.

That is on page 161, Admiral, of the committee print entitled "Selected Materials."

Admiral RADFORD. What committee system is he referring to?

Senator MUSKIE. He is referring to NSC here. He thinks of the NSC as a committee system or part of the committee system for framing policy or for developing policy. He does not think it works. Let me refer you to the other statement.

Admiral RADFORD. Who is writing this?

Senator MUSKIE. This is Hans J. Morgenthau, who was a former consultant to the State Department and is now a professor of political science at the University of Chicago.

Admiral RADFORD. I would disagree with him very strongly. I sat in the NSC for 4 years and nobody ever instructed me. I could be just as free as I wanted to be when any new question came up.

Senator MUSKIE. Let me refer you to what I think is the nub of his criticism and his reasoning behind that. It is on page 163.

The problem lies in the congenital inability of the NSC to present the President with an overall view of the issue and sharply defined alternative policies, since the NSC is not an independent agency with an independent outlook, but only the sum total of the views and interests of the agencies represented on it. It cannot cure the disease of fragmentation and parochialism, but institutionalizes it on the highest level. The President, deprived of independent sources of information and judgment, is thereby reduced to one of three roles, all inadequate: (1) Arbiter of interagency conflict, (2) ratifier of compromise or the exhortative formula, (3) abstentionist who will return the issue to the agencies concerned in the hope that they will finally agree upon a formula which he can ratify.

Admiral RADFORD. I don't know. I would feel that this man was never close to the NSC himself. The disagreements, if they come, are usually over very important questions and very sharply defined.

Senator MUSKIE. Do they actually rise to the level where they are discussed in the presence of the President?

Admiral RADFORD. Yes. Maybe outside the NSC. He may also discuss them with the individuals most concerned. A great many of these questions may be differences of opinion between State and De-

fense. They don't have to be saved for the Security Council discussion. They may be discussed before the Security Council. They may also be discussed in the President's office, or something like that.

Senator MUSKIE. It has been suggested as policy ideas rise from the operational agencies and go through the organization of the National Security Council and the Planning Board, that the sharp edges of these disagreements are rubbed off in compromises that are implicit in any recommendation.

Admiral RADFORD. There is always a tendency in our form of government to accommodate differences of opinion. That is the way we get along in this country in so many instances. I don't think there are as many instances of very bright new ideas getting suffocated on the way up as this would seem to indicate.

Senator MUSKIE. Did you find in your experience on NSC that the Planning Board presented to the Council alternatives or a well-rounded agreed upon recommendation in any particular policy area?

Admiral RADFORD. As a matter of fact, they do come up with split papers. The splits are laid out. The Joint Chiefs of Staff have an officer on the Planning Board, and he kept me as Chairman informed of the discussions he was engaged in. He would report to me what was happening, what did I think about this, or what did the Chiefs think. We might have to have a meeting of the Chiefs. He might ask for instructions under certain circumstances. I was kept informed of the progress of an important paper. I think the Planning Board had a couple of meetings a week, and I might not have a discussion with him more than once a month; a lot of it he didn't have to bring to me. It is all very well to criticize what we are doing, but when it comes down to what Mr. Morgenthau would do to change it if he could, you would find out that following his reasoning to a logical conclusion, the only alternative is to get one man to make all the decisions. That is wonderful if you can find him, and if you will all agree with him when he makes the decision. These policy questions that we have to face, and other decisions, are certainly enormous and far-reaching decisions. They may involve the security of the country 10 years from now.

Senator MUSKIE. You are satisfied that the NSC itself does consider questions of this import?

Admiral RADFORD. Sure; they can't escape it.

Senator MUSKIE. Let me ask you this, Admiral. You made the statement earlier that military programs are being constantly reviewed. I am sure they are. I was curious as to what part the NSC plays in this review.

Admiral RADFORD. I would say that the NSC independently cannot do much more than listen to the new program. They have no machinery to review the Department of Defense planning, for example. They can't duplicate it, nor can they duplicate the State Department planning organization. A lot they have to accept. I suppose somebody in the NSC could sit in there and say, "I don't think we need this many bomber squadrons," but somebody else would say, "What do you know about it?"

Senator MUSKIE. Let me ask you this. If there happens to be a difference of point of view in the Department of Defense as to, for example, the missile program, the number of Atlases that we should

produce, and there have been some evidences of disagreements, at least as suggested in the press, do those two points of view, if there are two or more held within the Department of Defense, get presented before the National Security Council?

Admiral RADFORD. Invariably they are. Remember in that particular instance, the decision has to be made by the President and not by the National Security Council.

Senator MUSKIE. I appreciate that. In any machinery we set up we cannot dilute the President's authority. We know that.

Admiral RADFORD. In a presentation of the military program before the NSC, the NSC is not asked to give its approval or disapproval as a rule. They hear it. If any member wants to say, "I think this should be changed," then he can start a conversation on the subject. But very seldom is it that they do. They hear the difficulties. They may contribute to a discussion. But the decisions on matters of grave importance of that kind are passed to the President, and may have been before a presentation is made to them. The matter may have been discussed and probably has been discussed with him previously.

Senator MUSKIE. In the event the NSC might prior to the hearing of this defense presentation have a consensus within itself as to the nature of a particular military threat posed by the Soviet Union, and if NSC should have developed a consensus on a policy recommendation, it ought to make it to the President in this connection, and if in the judgment of members of NSC the presentation by the Defense Department appeared to suggest some programs that were inconsistent with this previously arrived upon policy, would NSC then be in a position in any way to utilize its machinery to bring to bear upon the defense program its consensus after appropriate study and review and consideration?

Admiral RADFORD. I find it a little bit difficult to understand exactly what you mean. The NSC is composed of a number of individuals. I can't believe that they would get together enough to discuss a question like that. In other words, they are all busy men, and they would generally accept the report of the Secretary of Defense. If they had as individuals some different ideas, they would still feel free to express them, and on occasion they have. They would hardly have the ability or the machinery to go exhaustively into the Department of Defense background or planning machinery and find out and understand the details of the question that they had raised. In other words, most of the individuals there would not have the capability to really, if they disagreed, go in and find out whether the Department of Defense planning had been correct.

Senator MUSKIE. Then what you are saying is that NSC is not in a position and does not have the resources to be creative in the field of defense policy.

Admiral RADFORD. Policy is something else.

Senator MUSKIE. In the implementation of defense policy.

Admiral RADFORD. Implementation of defense policy means down to nuts and bolts of what you are going to buy and what you are not going to buy, and all that. No, they do not have that machinery.

Senator MUSKIE. Would you complete the reaction you started to make to my first phraseology, that NSC does not have the machinery to develop defense policy?

Admiral RADFORD. I did not say that. Defense policy is different. Yes; they have machinery. That is what they do get into, policy planning. That is a different thing.

Senator MUSKIE. The point that you do make is that although their function is to develop defense policy on an advisory basis, this has to be implemented by the Department of Defense. Does the NSC perform a function in determining or evaluating whether or not the policy which they do set is being effectively implemented by the Department of Defense?

Admiral RADFORD. The OCB is supposed to check on that. Actually defense policy is in a category where, if it is once approved, it is carried out by the Secretary of Defense.

Senator MUSKIE. But only the President can second-guess the Department.

Admiral RADFORD. Yes.

Senator MUSKIE. The NSC does not.

Admiral RADFORD. No. In formulating defense policy papers, for instance, or plans, the Department of Defense representatives are in on that at all times. It may be that there are matters of interest submitted by the State Department or from the Treasury Department or from some other agency represented on this Planning Board that may change or influence the basic paper presented originally by the Defense Department. The Defense Department planners might agree that something very worthwhile has been added. If they don't, I mean if the planning paper comes before NSC as a paper that has very sharp differences of opinion on what should be our defense policy, then it has to be resolved by the President. He listens to the whole discussion. Then it is up to him to decide.

Senator MUSKIE. Thank you very much, Admiral.

Admiral RADFORD. I hope I have helped out a little bit, but I am not sure I have.

Senator MUSKIE. You have clarified the picture for me in some respects.

Senator JACKSON. I think the counsel for the minority has questions.

Mr. PENDLETON. No questions.

Senator JACKSON. As a final question, I wonder if you have any recommendations or comments regarding an improvement that might be made in the NSC process or in the area of national security policy planning as a whole. I do not ask this question in any partisan spirit that might imply that recently things have not gone as well as they should. I ask the question solely in a spirit of determining whether there is opportunity for improvement.

Admiral RADFORD. I actually cannot think of any constructive suggestion that I could give you in that field.

Senator JACKSON. What about improvements within the Department of Defense? I realize that the problem of unification and a better organization within the Department of Defense is a continuous one. Do you have any comments since you last testified when you were Chairman of the Joint Chiefs regarding further changes in the law?

Admiral RADFORD. Only the one I mentioned before. I think the new reorganization plan is getting a good workout under Mr. Gates. He certainly understood the background of it. It is a little too early to

tell whether it is going to do some of the things that we hoped it would do.

Senator JACKSON. Admiral, we are grateful to you for your help this afternoon. We appreciate your taking time out to give us the benefit of your counsel and advice. We are most grateful to you.

Admiral RADFORD. Thank you. I hope I have been of some help.

(Whereupon, at 4:30 p.m., the committee was recessed subject to call.)

(The following statements were later submitted for the record:)

THE WHITE HOUSE

TEXT OF THE ADDRESS BY PRESIDENT DWIGHT D. EISENHOWER, DELIVERED AT THE COMMENCEMENT EXERCISES AT THE UNIVERSITY OF NOTRE DAME, SOUTH BEND, IND., JUNE 5, 1960

Father Hesburgh, Your Eminence, Your Excellencies, members of the clergy, members of the graduating class and the trustees, faculty, and students, and friends of Notre Dame:

I acknowledge with the deepest gratitude the receipt of the honorary doctorate of Notre Dame. And I am overwhelmed by the terminology of the citation read to me. But I want to say to all of you that as I listened to what was said about Dr. Dooley, that I could not fail to believe that there are few if any men that I know who have equaled his exhibition of courage, self-sacrifice, faith in his God, and his readiness to serve his fellow men.

BEYOND THE CAMPUS

At commencement time in our country a generation ago, a well-known Englishman felt an urge to tell us something about ourselves. The theme he selected was, "Why don't young Americans care about politics?"

He felt that the attitude of our young people toward civil government, at all levels, was like that of "the audience at a play."

My simple purpose today is to talk to you these next few minutes about the compelling need for all Americans to interest themselves seriously in politics.

There may be a plausible, if not necessarily a valid, explanation for the American's traditional indifference to politics.

Historically, the 19th century in America was one of amazing growth. A wilderness needed conquering; vast resources had to be utilized; illiteracy had to be eliminated; a great economic machine, reaching to every corner of the world, had to be built. This unprecedented development commanded extraordinary talents in our private enterprise system. To people busy in productive life, government seemed not only remote but relatively unimportant. The demand for real skills in political pursuits was minimal.

Moreover, in that long period, a view developed that political life was somewhat degrading—that politics was primarily a contest, with the spoils to the victor and the public paying the bill. This belief had some justification at one period in our history, and may still persist in local situations.

In these circumstances, some of our highly talented people have refrained from offering themselves for public service—indeed, often to refuse to enter it.

But times have changed, and the change includes the character of government. The first major platform drafted in 1840 by a political party required only 500 words; in the last national election each major party used over 15,000 words to deal with the highlights of the principal issues. This thirtyfold growth in political platforms is illustrative of the increase of government influence over all our lives.

The need for the best talent in positions of political responsibility is not only great, but mounts with each stroke of history's clock.

A few years ago, Government represented only a small fraction of the total national activity. Today, to support our National, State, and local governments, and to finance our international undertakings, almost one-fourth of the total national income is collected in taxes. In every phase of life, government increasingly affects us—our environment, our opportunities, our health, our education, our general welfare.

Government is, of course, necessary, but it is not the mainspring of progress. In the private sector of American life, commanding as it does the productive efforts of our citizens, is found the true source of our Nation's vitality. Government is not of itself a part of our productive machinery. Consequently its size, its growth, its operations can be justified only by demonstrated need. If too dominant, if too large, its effect is both burdensome and stifling.

Only an informed and alert citizenry can make the necessary judgments as to the character and degree of that need.

We do not want a government with a philosophy of incessant meddling, which imposes a smothering mist on the sparks of initiative.

We do not want a government that permits every noisy group to force upon society an endless string of higher subsidies that solve nothing and undermine the collective good of the Nation.

We do not want governmental programs which, advanced, often falsely, in the guise of promoting the general welfare destroy in the individual those priceless qualities of self-dependence, self-confidence, and readiness to risk his judgment against the trends of the crowd.

We do want a government that assures the security and general welfare of the Nation and its people in concord with the philosophy of Abraham Lincoln, who insisted that government should do, and do only, the things which people cannot well do for themselves.

This concept is particularly relevant to most activities encompassed by the phrase "the general welfare."

But even with devotion to the principle that governmental functions can be justified only by public need, government has become so pervasive that its decisions inescapably help shape the future of every individual, every group, every region, every institution.

Though we recognize this vast change—and though most persons in public office are selfless, devoted people—we are still plagued by yesterday's concept of politics and politicians.

Too many of our ablest citizens draw back, evidently fearful of being sullied in the broiling activity of partisan affairs.

This must change. We need intelligent, creative, steady political leadership as at no time before in our history. There must be more talent in government—the best our Nation affords. We need it in county, city, State—and in Washington.

Human progress in freedom is not merely something inscribed upon a tablet—not a matter to be shrugged off as a worry for others. Progress in freedom demands from each citizen a daily exercise of the will and the spirit—a fierce faith; it must not be stagnated by a philosophy of collectivity that seeks personal security as a prime objective.

Clearly, you—you graduates who enjoy the blessings of higher education—have a special responsibility to exercise leadership in helping others understand these problems.

And, by no means, does your responsibility stop there. To serve the Nation well you must, for example, help seek out able candidates for office and persuade them to offer themselves to the electorate. To be most effective you should become active in a political party, and in civic and professional organizations. You should undertake, according to your own intelligently formed convictions, a personal crusade to help the political life of the Nation soar as high as human wisdom can make it.

Now, some of you will become doctors, lawyers, teachers, clergymen, businessmen. Each of you will contribute to the national welfare, as well as to personal and family welfare, by doing well and honorably whatever you undertake. But a specialist, regardless of professional skill and standing, cannot fulfill the exacting requirements of modern citizenship unless he dedicates himself also to raising the political standards of the body politic.

Now, I hope that some of you will enter the public service, either in elective, career, or appointive office. Most of the top posts in government involve manifold questions of policy. In these positions we have a special need for intelligent, educated, selfless persons from all walks of life.

I believe that each of you should, if called, be willing to devote one block of your life to government service.

This does not mean that you need become permanently implanted in government. Quite the contrary. In policy-forming positions we constantly need expert knowledge and fresh points of view. Some frequency of withdrawal and

return to private life would help eliminate the dangerous concept that permanence in office is more important than the rightness of decision. Contrariwise, such a tour should not be so brief as to minimize the value of the contribution and diminish the quality of public service. Normally, a 4-year period in these policy posts would seem to be a minimum. Most leaders from private life who enter the public service do so at a substantial sacrifice in the earning power of their productive years.

Although these personal sacrifices are, by most individuals, accepted as a condition of service, yet when these sacrifices become so great as to be unendurable from the family standpoint, we find another cause for the loss of talent in government.

We ought not to make it inordinately difficult for a man to undertake a public post and then to return to his own vocation. In government one must obviously have no selfish end to serve, but citizens should not, invariably, be required to divest themselves of investments accumulated over a lifetime in order to qualify for public office. The basic question to be determined in each case is this: Is such divestment necessary to remove any likelihood that the probity and objectivity of his governmental decisions will be affected? And this question is proper and ethical whether the individual holds either elective or appointive office. We need to review carefully the conflict-of-interest restrictions which have often prohibited the entry into government of men and women who had much to offer their country.

But let me return to the more broadly based consideration: that thinking Americans in all walks of life must constantly add to their own knowledge and help build a more enlightened electorate and public opinion. For herein lies the success of all government policy and action in a free society.

Leaders in America—and this comprehends all who have a capacity to influence others—must develop a keen understanding of current issues, foreign and domestic—and of political party organization, platform, and operations.

They must have critical judgments regarding actions being proposed or taken by legislatures and executives at all levels of government. They need to be knowledgeable so as not to be misled by catchwords or doctrinaire slogans.

Thus, they can analyze objectively how such actions may affect them, their communities, and their country—and help others to a similar understanding.

Political understanding, widely fostered, will compel Government to develop national and international programs truly for the general good, and to refrain from doing those things that unduly favor special groups or impinge upon the citizen's own responsibility, self-dependence, and opportunities.

Graduates of the class of 1960: A half century ago, when I was about to enter West Point—and, incidentally, to meet shortly thereafter and to know that gridiron genius, Knute Rockne—our country was in what now seems to have been a different era. The annual Federal budget was below \$700 million. Today it has increased more than one hundredfold, and organized groups demand more and more services, both expensive and expansive. At the turn of the century there was a certain grace, calmness, and courtliness about human deportment and the movement of events.

Now, we operate on a relentless timetable which we must race to keep events from overwhelming us.

Complicating the lives of all of us today we know that in the dimly lit regions behind the Iron Curtain, 800 million people are denied the uncountable blessings of progress in freedom, and compelled by their masters to develop vast means of destructive power. Elsewhere, among the underdeveloped countries of the world, a billion people look to America as a beacon that confidently lights the path to human progress in freedom.

This is no time to whimper, complain, or fret about helping other peoples, if we really intend that freedom shall emerge triumphant over tyranny.

The enemies of human dignity lurk in a thousand places—in governments that have become spiritual wastelands, and in leaders that brandish angry epithets, slogans, and satellites. But equally certain it is that freedom is imperiled where peoples, worshipping material success, have become emptied of idealism. Peace with justice cannot be attained by peoples where opulence has dulled the spirit—where indifference ignores moral and political responsibility.

Too often there is, in politics as in religion, a familiar pattern of the few willing workers and the large number of passive observers.

Our society can no longer tolerate such delinquency.

We must insist that our educated young men and women—our future leaders—willingly, joyously play a pivotal part in the endless adventure of free government. The vital issues of freedom or regimentation, public or private control of productive resources, a religiously inspired or an atheistic society, a healthy economy or depression, peace or war—these are the substance of political decisions and actions that you young people must be ready to participate in. Neglect by citizens of civic responsibilities will be a greater danger to a free America than any foreign threat can ever pose; but an enlightened, dedicated people, studiously and energetically performing their political duties will insure us a future of ever-rising standards of spiritual, cultural, and material strength. These duties and these opportunities must demand the dedicated attention of all the people, and especially all who have so profoundly benefited from our vast educational system.

My heartiest congratulations on this splendid preparation that the members of this graduating class have received for exercising the leadership which this great Republic must have as it faces the problems, the trials, and the bright opportunities of the future.

Thank you, and may God bless you.

MOBILIZING TALENT FOR NATIONAL SECURITY

Address by Senator Henry M. Jackson before the Second National Training Conference of the National Defense Executive Reserve

I am delighted to be here today at the invitation of Governor Hoegh to participate in the Second National Training Conference of the National Defense Executive Reserve.

You have been recruited to man top Government posts in the event of a national emergency. I commend you on your willingness to serve. However, if you do not think it presumptuous, I would suggest to you that we must concentrate first on our current mobilization requirements for the cold war. Naturally, it is vital that we be fully prepared to mobilize at a moment's notice for the demands of all-out, shooting war. But the main tenor of my remarks today is to express the hope that we can better mobilize our human resources to meet the demands of the cold war. I would also hope that you, who have volunteered to serve in case of national emergency, can share in this effort.

It is well to remember that the contest in which we are now engaged may drag on for decades without reaching the hot war stage. If only a hot war can be classified as a national emergency, then we simply do not understand the nature of the cold war we are in.

Let us not forget that the Communists think in terms of power. Superior power will, they believe, eventually prevail.

They do not merely plan to outstrip us militarily. They propose to have better factories than ours, better scientific laboratories, better schools, better houses, better farms, better cities—and yes, a higher standard of living than ours.

By beating us in one field after another, the Communists plan to show to the world that their system represents the inevitable wave of the future, and that there is no real alternative except to join forces with them.

And as long as the costs of a hot war seem too high, and other means are at hand, we can expect the Kremlin to pursue its goals without resort to overt aggression. The offensive will be pressed on all fronts—economic, military, political, and psychological—and in all corners of the globe. If successful, loss of the cold war could be as final, and fatal, as defeat in an all-out war.

So if we are talking about mobilization, I think we have to be mobilized constantly to deal with the demands and challenges of the cold war. And if we expect to put our best foot forward, we must seek new ways to solve the critical problem of finding able citizens like you to serve their government now—full time—and in the years of total competition which lie ahead.

We need and must have the best scientists, the best engineers, the best lawyers, the best diplomats, the best planners and the best administrators this country has to offer. Above all, we need the finest leadership—at the Cabinet and sub-Cabinet levels throughout Government—which we can produce. On the decisions made and actions taken by this small group of men at the heart of the governmental process hangs the success of our national security policies, and thus our survival.

These men must be experienced in the arts of government. They must be able to cope with the most complex economic, scientific, military, and political factors. They must be able to go to the core of a problem, reach decisions and provide aggressive leadership. This calls for the best brains, the finest talent we can muster. Unless we can dedicate leadership of this caliber to government service, we cannot expect to succeed in the drawnout contest with the Sino-Soviet bloc.

The Senate Subcommittee on National Policy Machinery—of which I am chairman—is charged with the task of determining whether our Government is now properly organized to meet successfully the challenge of the cold war. The fundamental problem is: How can a free society organize to outthink, outplan, and outperform totalitarianism—and achieve security in freedom.

Our study is being conducted throughout on a scholarly, objective and non-partisan basis, I intend to keep it that way. We face a national task far transcending either political party or any particular administration.

At our first public hearings in February, we invited four distinguished Americans—Mr. Robert A. Lovett, Mr. Robert C. Sprague, Dr. James Phinney Baxter and Mr. Thomas J. Watson, Jr.—to give us their estimate of the nature and scope of the problems confronting us in the decades of competition ahead.

In late April, seven eminent authorities gave us their counsel on the problems involved in gearing science and technology into the policy process.

Just 10 days ago we invited seven noted experts from government, business and law to give us their views on the problem of attracting first-rate talent to man key posts at home and abroad.

From the outset of our study, we have recognized that human talent is our most precious asset; that good people often triumph over poor organization; that poor people will defeat the best organization.

In sum, the testimony we heard on this subject was neither optimistic nor complacent. All our witnesses recognized the urgent need to summon our best brains to Washington to formulate and direct the battle plans of the cold war. As Harold Boeschstein, the president of Owens-Corning Fiberglas, told us: "We must put our 'first team' in the field." He, and all our witnesses, recognized our failure to attain this goal in many respects. In general, they were somewhat pessimistic in their forecasts of our ability to field the first team unless we change some archaic laws and antiquated attitudes.

Based on our hearings and our studies of this problem, let me summarize some key points which affect our ability to attract first-rate talent:

1. Much of our recruiting has been on a haphazard basis. There is no orderly attempt to catalog our human resources and use them wisely. Nowhere in Government do we have a central office to assist the departments and agencies in finding the right man for the right job. Marion Folsom of Eastman Kodak, a former member of President Eisenhower's Cabinet, testified that: "One reason the service of so many businessmen is so short is that they were not properly placed in the first place. The present system," he said, "is too much hit or miss."

2. Many men appointed to high posts in the national security field have little acquaintance with the intricate problems they are called on to resolve. A former Government official and member of the Gaither Committee, John Corson, now a management consultant, who worked on recruiting for the executive branch when President Eisenhower first took office, told us that: " * * * few Presidential appointees bring to these jobs, in addition to substantial personal talents—and surely I am not questioning their large abilities—real experience in the complex problems this country faces in the field of national security and a knowledge of what it takes to operate effectively in Government in Washington." Let me add that this comment applies to all recent administrations.

3. The Government has been plagued with high rates of turnover in key posts. Roger Jones, the Chairman of the Civil Service Commission, told us that turnover had reached an "extremely dangerous" point. Mr. Corson pointed out that 23 men—serving on the average less than 2½ years—had served in 8 key national security posts since 1953. Previous administrations have had a somewhat similar experience. Mr. Folsom quoted a recent study covering several hundred businessmen who had served in Government and left: 48 percent served only 1 year or less—only 33 percent served over 2 years.

Yet there is increasing evidence that it takes from 1 to 2 years for an able man, without prior relevant experience, to begin to pay dividends to the Government in a new job. This is especially true in the national security field,

where the complexities of decisionmaking have progressed geometrically in recent years.

4. The so-called conflict-of-interest laws—passed many years ago to bar dual allegiance to governmental and private interests—are out of step with the economic realities of the 20th century. They also run counter to the Government's needs for talent.

Crawford Greenewalt, the president of Du Pont, told us: "I do not think that you can legislate probity under any circumstances. A man is honest or he is not honest. If he is going to be dishonest, the mere fact that you make him sell his stock and cancel out his pension rights will not stop him."

The truth is we cannot expect men to give up stock options, pension plans, and other benefits to accept Federal posts. These security-oriented arrangements now provide the basis for long-range economic planning for millions of Americans.

The conflict-of-interest laws hamper our efforts to utilize able men in more than one way. As the laws now stand, for example, a large law firm might have to give up its entire tax or antitrust practice just so one partner could serve as a Government consultant. For this reason, able lawyers in New York could not accept service as consultants to the State Department, as members of the Fine Arts Commission or the National Advisory Council on Mental Health. These are typical cases in which outmoded statutes work to deprive the Government of talents it might otherwise have.

5. The so-called dual compensation laws constitute another case where ancient statutes hamstring our search for special skills and experience. Let me illustrate with the example of an able military officer, highly trained at Government expense over a period of 20 years. He has technical knowledge and ample administrative, diplomatic, and general leadership experience. Under our present system, he retires in his late forties or early fifties. There are many posts throughout Government where he could continue to make an important contribution. But the dual compensation law says he cannot draw both his pension—which he has already earned—and a Government salary where the combined amount exceeds \$10,000. So he will take his skills and experience outside the Government to work for the same industries and research firms whose services the Government eagerly seeks. "Why," the Chairman of the Civil Service Commission asked us, "should we deny ourselves of their services and deny them another career * * * when they still have 20 years of useful life ahead of them? I think it makes no sense at all."

6. We have encountered extreme difficulties in recruiting able young men in their late thirties or early forties, yet this is the very group which can bring to Washington the drive and imagination we need. The men in this group may be at a critical point on the ladder of success, on the verge of the vice presidency or the partnership they have long sought. They also have heavy financial responsibilities with children to educate and homes to pay for. The prospect of trading their paychecks and fringe benefits for the insecurity and inadequate compensation of Government service is not a happy one. Even more significant is the fear of losing vital promotional opportunities during their absence.

With this group, as with others, we have failed to convince them of the genuine needs for their talents, of the demands of the cold war, of the challenge and opportunities of Government service. If they are good enough for us to want them, they probably hold important and challenging positions in private life. They are not easily convinced that they are wanted and can make a real contribution in a top Government post. Therefore, as Mr. Boeschenstein put it: "We find ourselves time and again looking to older and retired men, whose experience is adequate but whose vigor and imagination are not always up to the demands of a tough Federal job."

In discussing these problems, we cannot minimize the enormous task faced by our Presidents in organizing our national security efforts.

Picture, for a moment, a company with some 3 million employees strung around the globe. Picture a company with an annual budget of more than \$50 billion. Picture a resourceful competitor whose every move is uncertain. Picture countless decisions—technical, intricate decisions—which must be made without full knowledge of the facts.

Picture, not four or five intracompany committees, but thousands. Think not of trying to recruit three or four key executives, but literally hundreds. Imagine not trying to weave two or three corporate divisions or plants into an effective team, but scores of departments and agencies.

This may give you some idea of the kind of job the President has. But just imagine how much harder it must be when his chief lieutenants come and go. When they approach their jobs with little knowledge of the intricate problems involved. When he is foreclosed by law from tapping large reservoirs of talent to help him. When he is faced on all sides by a state of mind which regards Government service as a chore and burden, not a duty and a challenge.

We are not dealing here with some academic exercise in public administration. As one of our first witnesses put it: "The stakes which are at issue in the effective operation of Government today are no longer stakes of convenience. They are stakes of survival."

So I suggest that Congress and the executive branch must recognize the paramount needs of Government for the finest talent we can find.

Congress, on its part, must act to reform or repeal the archaic conflict of interest and dual compensation laws.

It must act, in conjunction with the executive, to establish an orderly procedure to catalog and utilize our human resources.

It must deal in an honest and realistic way with the problem of low salaries.

It must serve notice that it will be reluctant to confirm inexperienced appointees who do not indicate a desire to remain in office long enough to give the kind of service the country has a right to expect.

The executive branch, on its part, must provide the strong and dynamic leadership which will, in itself, help to attract men of talent. It must create a climate of challenge and opportunity. It must create a clear public understanding of the awesome nature of this contest we have not sought, but which we cannot afford to lose.

Beyond this, both Congress and the executive branch must strive to develop in this country a sense of duty and of obligation to serve—in the finest traditions of our Founding Fathers—which far transcends personal considerations.

In closing, let me simply say this: In time of an all-out, dramatic hot war, we have brought into Government service every skill and talent we sought—regardless of existing attitudes and archaic, statutory impediments. In a cold war, the outcome of which can be just as final and conclusive, we must overcome these impediments by whatever action is called for, so we may call on talents which match our needs.

Having heard preliminary testimony from substantial and thoughtful citizens, I feel sure that the subcommittee will recommend sweeping changes to accomplish this objective.

When our work is completed, I hope it will set the stage for a new and better climate of understanding in which outstanding men can enter public service, remain as long as required, and leave in the knowledge they have served well—without being pilloried and harassed by those few who would rather find a conflict of interest than try to serve the broad public interest, which is nothing more or less than our national survival.

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

FRIDAY, JUNE 10, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Also present: Senators Stennis, Bush, Clark, and McGee.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Brewster C. Denny, Grenville Garside, and Howard E. Hauge-rud, professional staff members, and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will be in order.

The Subcommittee on National Policy Machinery is continuing today its series of hearings focusing upon the problems of coordination between the Departments of State and Defense and upon the National Security Council and its subordinate agencies.

We are seeking counsel on these three questions: Is our Government now effectively organized to identify and plan ahead on the critical issues of national survival? Are we now adequately organized for effective coordination of policy? Where is there room for constructive reform?

Recent events have further contributed to focusing attention on the process of national policymaking and upon a need for a governmental structure to meet the issues and challenges in all their complexity.

In this connection, I might say that specific testimony on the U-2 incident as it relates to the national security policy process will be taken in executive session.

As the members all know, we have agreed with the President that testimony by former or present Government officials who served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session. The subcommittee welcomes to its session this morning the Honorable Christian Herter, Secretary of State.

Mr. Herter over a period of 44 years has been concerned with the foreign policy of this country. During the critical years of the First World War he served abroad and in the State Department. I believe he was in Berlin at the time that war broke out as far as the United States is concerned. He has had a long and constructive career in elective offices. He served as a member of the Massachusetts State

House of Representatives from 1931 to 1943 and as a Representative in Congress from the 78th to the 82d Congress. Some of us had the fine opportunity to serve in the House with Christian Herter, to work with him closely and to count on him as a good friend. He then served as Governor of Massachusetts. Our witness continued his distinguished career first as Under Secretary of State and then as Secretary of State since April 1959.

Mr. Secretary, we are very happy to have you with us today. You may now proceed in your own way. I believe you have a prepared statement.

STATEMENT OF HON. CHRISTIAN A. HERTER, SECRETARY OF STATE, ACCOMPANIED BY WILLIAM B. MACOMBER, JR., ASSISTANT SECRETARY OF STATE

Secretary HERTER. Thank you.

Mr. Chairman and members of the committee, I welcome the opportunity to offer this committee my views on those aspects of the national policy machinery with which I am most familiar. My comments are based on reflections arising from my service as Under Secretary and Secretary of State, and of course as a member of the Committee on Foreign Affairs of the House of Representatives.

It seems to me that several fundamental considerations underlie the questions concerning the Department of State which you have asked me to discuss today. While these are generally well understood, they might bear restating to be sure we are on common ground.

First of all, under the Constitution and the historical development of our Government, executive responsibility for the conduct of foreign relations and the enunciation of foreign policy resides squarely with the President. As this committee knows so well, the course of events of the past two decades has given to these responsibilities dimensions that are awesome, to say the least.

Secondly, it follows that the fundamental mission of the Secretary of State is to assist and support the President in the discharge of his responsibilities for foreign affairs. Unlike, I believe, any other major department, the basic authority of the Department of State is left completely to the discretion of the President. The basic statute of the Department of State provides that the Secretary of State—shall perform and execute such duties as shall, from time to time, be enjoined on or entrusted to him by the President of the United States, agreeable to the Constitution * * *.

Thirdly, as became evident after the conclusion of the last war, and as becomes more apparent with each passing year, international affairs no longer have an existence separate from domestic affairs, and they can no longer be treated except in the context of the entire range of governmental activities. Practically every Government department and agency has to a varying degree a proper concern, and in some instances responsibility, for one facet or another of international affairs. Conversely, the Department of State is properly concerned with facets of domestic affairs which have major impact upon our foreign relations.

Before proceeding further, I should like to make several observations on the considerations I have just enumerated.

The burden of the President's responsibilities for international affairs is almost indescribably heavy. I think all of us must be sympathetic and helpful in doing what we can to provide the President with the highest possible caliber of assistance, both with respect to his immediate staff and in each of the various departments of Government concerned.

The relationship between the President and the Secretary of State is, of necessity, a very personal one. It has, over the years, varied with circumstances and personalities and will undoubtedly continue to do so. The relationship can never be considered fixed beyond the tenure of either incumbent, and any effort to make it so would hamper rather than enhance effective performance.

Every President, in his own way, has defined the role he wishes the Secretary of State to carry out. President Eisenhower has set forth quite clearly on repeated occasions his concept of the function of the Secretary of State. Typically, he stated on June 1, 1953, that—

I personally wish to emphasize that I shall regard the Secretary of State as the Cabinet officer responsible for advising and assisting me in the formulation and control of foreign policy. It will be my practice to employ the Secretary of State as my channel of authority within the executive branch on foreign policy. Other officials of the executive branch will work with and through the Secretary of State on matters of foreign policy.

These principles have been adhered to in succeeding years. I would doubt that any more explicit or enlarged statement is necessary.

I do not wish to leave the impression by my emphasis on the discretion that must be available to the President that there are not enduring guideposts within which we can approach the questions we are considering today. In my opinion the Secretary of State should, under the President, have in his relations with other Departments a clear primacy in foreign relations and in all matters with a substantial effect upon foreign relations. This is not to say that the Secretary of State should be charged with operating all of the programs carried on abroad in support of our national security goals, but that he should have clear primacy as to policy on these programs. Nor is it to say that the Secretary of State should normally have the power of decision upon matters crossing departmental jurisdiction simply because they involve foreign affairs. Rather, the Secretary of State should be looked to for formulation of recommendations to the President, when appropriate through the NSC mechanism, which take into account the considerations and views set forth by other departments. Assistance of this nature enables the President to focus effectively on foreign affairs problems of transcendent importance. In following through on these principles, it is hard to state general rules which will be self-enforcing. It is more a matter of recognizing that the activities and programs are for a foreign affairs purpose and should therefore be guided by the official responsible for foreign affairs.

In my opinion good organization alone will not suffice for the solution of foreign affairs problems of the magnitude and complexity which confront us today. While I am well aware of the value of good organization and soundly conceived relationships, I find that I subscribe to the sentiments of those who place even greater value on the human element—on the devotion, ability, and experience of the personnel of the Department of State and the other principal depart-

ments of Government. This is why I have been such a strong advocate of the moves made in recent years to strengthen the Foreign Service—and, indeed, the entire Department of State. While I have been pleased with the progress made in matters such as training and integration of the foreign and domestic officer corps, I have recognized that there is much that remains to be done. This is a long-range program, and I very much hope that it will continue to have the support of my successors and of the future Congresses of the United States.

The ability of any Secretary of State to serve the President is dependent not only on his own capacities but also on the support available to him from the Department of State. The responsibilities customarily assigned to the Secretary of State for providing leadership to the Government as a whole in the international field require the participation of many parts of the Department. The capacity of the Department of State to provide leadership at all levels is dependent, in the final analysis, not upon fiat but rather upon the competence, judgment, energy, and comprehension of the many officers who are involved.

I should now like to speak to the questions relating to the Department of State which were posed in the interim report of this subcommittee.

First are those concerned with whether the Secretary of State should have a more dominant role in the formulation of overall national security policy.

Are the responsibilities of the State and Defense Departments in national security policymaking now correctly defined and divided? If not, what changes are needed?

In my judgment, they are correctly defined, and the division is working well. I do not believe that any major improvement in the relationships between the Department of State and the Department of Defense would result from further efforts to define their respective responsibilities. A more immediate and profitable target is for the Department of State to seek to improve its capacity to provide timely political guidance to the Department of Defense and, reciprocally, for the latter to seek to improve its capacity to provide timely military advice. I should emphasize that this is being done not only at the senior levels but at all levels in the two Departments. The advice worked into problems at the lower levels is frequently the most helpful.

The functional and organizational aspects of State-Defense relations are, of course, important. More important, however, is the continuing development of personnel in both Departments who share understanding and perspective in the gray area where foreign policy and military policy come in contact or overlap. In this regard, the common experience shared by personnel of the two Departments who attend the war colleges and the Foreign Service Institute, is very helpful. In addition, I think it would be worthwhile to have a greater exchange of personnel between the two Departments. The men loaned would function as an integral part of the host agency, contributing their own special knowledge, and would return to their parent agency at the end of the tour with the broadened perspective which is acquired through shoulder-to-shoulder work. We might,

over a period of years with such a program, develop a nucleus of highly trained senior officers within the two Departments, each having a profound and comprehensive understanding of the subject matter and viewpoint of the other Department. If this understanding were regularly and consistently brought to bear on the solution of problems of mutual concern, much more good would be accomplished than could result from efforts to adjust and refine the respective responsibilities of the two Departments. I should add that the broadening of personal contacts among senior officers resulting from such an interchange would be a major asset in insuring the continuity of a productive relationship between the Departments of State and Defense.

Should the Secretary of State be formally charged with more responsibility in connection with our defense posture and the defense budget?

No. First of all, I regard somewhat skeptically the word "formally" as contravening the basic concept that the Secretary of State is the agent of the President and that it is unwise to prescribe how the President may utilize him. More to the point, however, is my belief that participation by the Secretary of State in the NSC, in the Cabinet, and in confidential discussions with the President affords ample opportunity to advise the President on the defense posture and the defense budget. In addition, I feel free to advise and consult with the Secretary of Defense on these topics, and I do so.

Should the Secretary of State be asked to testify in the Congress concerning foreign policy implications of the defense budget?

The Congress, of course, is entitled to obtain whatever advice it deems necessary to insure the enactment of wise legislation. In recent years a number of steps have been taken in the executive branch to insure consideration of foreign policy implications in determining the defense budget. It must be recognized, I think, that should the Secretary of State testify on the defense budget, he would undoubtedly be supporting decisions in which he has already participated. These budget decisions, as I have seen them, have not been made in a vacuum, and the Departments are fully aware of each others' interests.

Would it be desirable to create a "super Secretary of State" who would be responsible for the overall direction of foreign affairs, and who might have under him additional Secretaries of Cabinet rank for such areas as diplomacy, information, and foreign economic matters?

Although I can fully understand and sympathize with the general objectives desired by those who advocate a so-called super Secretary of State with Cabinet level agencies reporting to him, I do not believe that such a proposal would be desirable. There are a number of factors that cause me to question this proposal. Among them is the assumption of equivalence for areas such as diplomacy, information, and foreign economic matters. I do not believe the areas are, in fact, equivalent. If these three principal areas are to be equated, it will then become necessary to establish what I fear would be an excessively large coordinating mechanism at the level of the super Secretary of State. Instead of being relieved of burdens, he might find his load increased.

This is not to say that I disagree with the concept that our foreign economic and foreign information activities ought to be under the control of the Secretary of State. It may be desirable at some time for the overseas information activities to be brought into the Department in a semiautonomous status somewhat similar to that successfully followed with respect to the ICA.

Next, in the interim report are those questions concerned with lightening the burdens of the Secretary of State.

Would it be desirable to create a Minister of Foreign Affairs of Cabinet rank responsible to the Secretary of State who would represent the United States at Foreign Ministers' meetings? Would any other arrangement help, such as appointment of ambassadors at large?

The underlying question here is whether it is possible to lighten the negotiating burdens of the Secretary of State in order to give him more time to discharge his responsibilities at home. I do not consider feasible the proposal to create a Minister of Foreign Affairs of Cabinet rank, responsible to the Secretary of State, who would represent the United States at Foreign Ministers' meetings. When Foreign Ministers meet, they are meeting as their governments' chief advisers on foreign affairs. Since the Secretary of State would continue in this country to be that chief adviser, another representative, no matter what his rank and title, would create problems for the other Foreign Minister.

I am coming to the conclusion that it would be desirable for the Foreign Ministers to curtail the occasions upon which they themselves attend meetings. To do this would require greater delegation to principal subordinates and greater reliance upon the normal mechanisms of diplomacy. Additionally, in this day when there are some 85 nations who must deal with each other, we may have to dispense with some of the ways of protocol which we no longer have the time to afford.

Next are those questions which concern State-Defense relations.

What is the proper relationship between State and the Joint Chiefs of Staff (and/or the Joint Staff of the JCS)? Should a representative of the Secretary of State participate in discussions of the JCS when appropriate?

The Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff do, and should continue to, form a well-coordinated and smoothly working team in both the planning and execution of national security policy.

The two Departments naturally have very extensive relationships on a multitude of subjects which enable the Department of State to inject foreign policy considerations into military affairs at all stages. Secretary Gates and I confer with each other frequently and we also participate in larger meetings such as the NSC and the Cabinet. An Under Secretary of State confers regularly with the JCS and the Assistant Secretary of State for Policy Planning meets regularly with the Joint Staff of the JCS and officers of the Department of Defense. State, Defense, and military officials work directly together across the board and without any formalities and especially so when there is a premium on speed of action. In addition to our broad and fruitful policy relationships with Defense through ISA, we have direct relationships with the three services on a variety of subjects.

I believe it would be a mistake to have an officer of the Department of State sit with the JCS as a representative of the Department of State, but I would not rule out the long-term possibility that a senior officer of the Department might be assigned to the JCS in an advisory capacity. While such an official might not participate in the deliberations of the JCS as an official spokesman for the Department of State, he might have a role comparable to that of a political adviser to a unified military command.

Next are the questions directed toward improvement of planning in the Departments of State and Defense.

Should officials with more diverse backgrounds and experience be brought into the Policy Planning Staffs of State and Defense? Is there a need for a Joint State-DOD-JCS Planning Staff? Can greater use be made of ad hoc interdepartmental task forces on special issues of national security policy?

We have long recognized the need for officers of diverse backgrounds on our Policy Planning Staff. I think that we have succeeded fairly well in meeting this need. Naturally, we shall continue to select with great care the members of this staff so as to insure a balance of knowledge and background.

A Joint State-DOD-JCS Planning Staff would have the merit of bringing together diverse backgrounds, but might have the drawback of being apart from the operating departments and out of the mainstream. The firm connection with reality which proximity to operations gives is certainly a requisite of useful planning. This is one of the reasons why the Planning Board of the NSC has been so useful; its members are active participants in the operations of their own departments as well as members of a joint planning staff. Additionally, we have utilized interdepartmental task forces for planning on special issues, and we have found it to be an excellent means of bringing to bear upon a problem the best knowledge of several agencies.

Lastly, there is the question about a joint career service embracing senior officers selected from State, Defense, and related national security agencies.

Is the proposed joint career service practical and worthwhile?

The joint career service proposal strikes me as being a rather drastic and administratively cumbersome approach to the very desirable objective of developing policymakers with nonparochial viewpoints and wide breadth of experience. As I suggested earlier, I believe the interchange of selected personnel between the Departments of State and Defense and the use of joint task forces on planning might go a long way toward meeting this objective and should be tried before we resort to the more drastic proposal for a joint career service.

In conclusion I wish to thank the committee for this opportunity to meet with it. I will be glad to answer questions on this statement.

Senator JACKSON. Mr. Secretary, I would like to commend you particularly for your comments regarding the importance of people in Government. I think we can all agree that you can have the finest organization in the world but if you do not have good people they can wreck a good organization.

I want to start out by asking this general question:

I think we are all conscious, and certainly the public is, of the enormous burden that the Secretary of State must carry. I think it is a

burden second only to that of the office of the Presidency. What runs through my mind is whether or not there might be some changes made in the organizational structure within the Department that would somewhat lighten that burden. In addition, it would make it possible for the Secretary to spend time on the critical issues. We are deeply aware of the requirement to travel many, many places, and while the Secretary is going from place to place we have critical issues that must be decided at home.

Without limiting yourself to the questions that we put in our report, Mr. Secretary, I am wondering if there is any area at all in which improvement can be made. I address myself to this question in a spirit that I am sure you understand. It is not with regard to the present administration. I am referring to all administrations. This is a growing part of the problem of the Office of Secretary of State. It is becoming more difficult, it seems to me, as tensions increase and the problems of diplomacy include so many additional things that were not included just a short time ago. It is in that spirit I ask this general question.

Secretary **HERTER**. This is a subject that I would like to address myself to for a minute. It is a very real problem. I don't pretend to have the answer to it, but I would like to sketch out just what the problem is.

I am drawing now on my own experience as Secretary of State. I was given these figures by my office only 2 days ago. I have been in office as Secretary of State for 414 days. I have been out of the country during that time 156 days, or 38 percent of the time. This obviously poses very real problems from the point of view of the internal administrative operation of the State Department, and the constant contacts and the necessary service to the President in his constitutional responsibilities.

This growing tendency to be required—and I use that word advisedly—to go overseas is a part of the technological development of the times in one respect because travel is so much quicker than it ever has been before. But it has become almost a necessity as a result of the treaty structure and the alliances that we have built up over a number of years.

As you know, we are a member of the Organization of American States. We are a member of NATO. We are a member of SEATO. We are a member of the principal committees of CENTO. In addition to that, the United Nations at its opening now is attended by foreign ministers. This last year I think there were over 60 foreign ministers in attendance at New York. The contacts with those foreign ministers and the presence of the principal officer of the State Department at that has become practically a requirement.

If it were possible to find some alternate in the Department, regardless of what the title was, who could take some of that burden off the Department of State, that is, the necessity of attending these conferences that are alliance conferences and on which our allies count very heavily for consultation, for periodic meetings—if it were possible to find someone—that would be excellent. But what actually happens and this is particularly so because of the sensitivity of many countries that they are being downgraded or that those in one alliance are being considered as less important than those in another alliance. They are

never satisfied except with the top individual. They feel that if anybody else is assigned to the task of representing the United States there, for some reason we are now paying less attention, let us say, to South America, or to Asia, than to Europe or to the Middle East. This makes it very, very difficult for the principal foreign officer to avoid that particular type of meeting.

I have felt that the day is coming, and coming pretty soon, when there will have to be another conference equivalent to the Congress of Vienna from the point of the discussion of this type of problem. It is confined not alone to these meetings. As you know, the question of visits of high ranking officials to other countries has increased by leaps and bounds, again with the facility of travel. The protocols that have been established in years gone by require a degree of attention to those visits that is extremely time-consuming. Just the mere physical operation of going to airports, seeing people off at airports, accompanying them on visits, and then going through the protocol business of having to give so many dinners and return dinners, all of which are set by these protocol arrangements that have gone on over years and years, is a very time-consuming process, and a very difficult process.

But again there is no substitute for the individual who happens to be holding the position that I am holding now. I think the time has come when internationally we ought to revise, if we can, the whole question of the exchange of visits, and how we handle them. The question of the recognition of Under Secretaries with special capacities for attending international conferences, and things of that kind, should be looked into. Until we can reach international agreement on that, however, we have this very serious problem of not being able to find a substitute without seriously offending a good many nations to whom this means a great deal.

As you know, in the last 2 years we have created a new Under Secretary of State to assist in the overall problem. We now have a Secretary of State, two Under Secretaries who, by the power of delegation that Congress has given, can be alternated in the special responsibilities of economic or political affairs. We have 2 Deputy Under Secretaries of State in addition to the 11 Assistant Secretaries of State who are largely specialists in their geographic and functional bureaus.

The question that keeps going through my mind is whether, if we create another new high-level position with a new title, it will take the load off the top place or whether there will still be the demand for the top fellow and a feeling of being downgraded if they don't get him. I have not been able to answer that question in my own mind.

Senator JACKSON. I sympathize with your problem. It does seem to me from just outside observation that unless we come to some kind of resolution of this problem I do not see how it will be possible for the Secretary of State, with his broadened responsibilities, with new elements that relate to power and therefore to diplomacy, to do the job. He can be abroad and dealing with an urgent matter and then at home we have a critical decision to make. If he has to do both, I just don't see how we can compete effectively, Mr. Secretary, with our adversaries. We are bound to make mistakes. We are all fallible, and we just aggravate the situation when that kind of structure exists.

I take it that as of now, at least, you have no specific recommendations to make regarding a change in the organizational structure. I take it that is your general view at this time.

Secretary HERTER. Yes. I might add just one thing that is also quite time consuming, and that is a good many committees of the Congress are not satisfied with an Under Secretary of State as a witness and insist on the Secretary.

Senator JACKSON. You having served upon the Hill, I think you understand that problem, too. I wondered if you had any comment with reference to the appointment of ambassadors at large which has been an old device to lighten some of the burden.

I note in your statement you indicated that you hope that one solution would be for the Foreign Ministers to curtail meetings. This is a kind of far-reached hope, at least for the immediate future, is it not?

Secretary HERTER. Yes; it is. I am not optimistic that it will come about very soon.

With regard to ambassadors at large, I have always felt that it is a desirable thing to have a limited number of ambassadors at large. There are so many unexpected things that come up where it is very difficult to take anyone at a high level away from his operational responsibilities and assign him to specific tasks that do come up unexpectedly. If we had a little more leeway in the ambassador-at-large field—and I do not think many would be required, I would say two or three at most—it would be a very useful thing. There is only one difficulty about it, and that is how one rates them in relationship to regular ambassadors and whether an ambassador at large in any way downgrades the regular ambassador. I think that if it were possible to assign to the Department for what you really might call troubleshooting duties, two or three ambassadors at large without designation to a given country, it would be a very useful thing.

Senator JACKSON. Especially I would think in that regard that if the ambassadors at large happen to be men of experience, of substantial international reputation, that this would help to add to the importance of the position.

Secretary HERTER. It would.

Senator JACKSON. I mean good people that will be well received and are known to the countries involved, being men who can speak with some authority, would help to elevate their positions as ambassadors at large.

Secretary HERTER. There is another thing, sir, that requires a little working out. An Ambassador today at a class 1 post receives a higher salary than the Secretary of State does. If you assign him as ambassador at large still with the rank of a class 1 ambassador, he would be the ranking officer in salary in the Department.

On the other hand, I don't feel that is an insuperable obstacle. I think that could be worked out, because generally speaking, living costs for anyone who is serving in Washington are very high. I would not for a moment grudge the possibility of assigning a man at his ambassadorial salary for temporary duty in Washington.

Senator JACKSON. To return now to people and to getting good people into the Department, do you have any comments? I am speaking now of people who come in for limited periods of time from outside

the foreign service. Do you have any problems in connection with conflict-of-interest statutes and provisions in the law that make it difficult to encourage people to come into the Government?

This has been a real problem, as you know, especially in the Department of Defense. I wondered if you had any comments, Mr. Secretary, in that area.

Secretary HERTER. Yes. We have run into that type of problem on a number of occasions. It is particularly true, for instance, where you have to find someone outside who can help you in international negotiations. There, obviously, you try to go to someone of experience in the international field and particularly in the legal profession and you often find that the individuals whom you would like to have serve have in their legal capacity had as clients people with international interests. While there may not be any obvious conflict of interest, there is always a danger that somebody is going to raise a conflict-of-interest problem and it does make it difficult.

Senator JACKSON. Usually it involves a technical conflict of interest.

Secretary HERTER. Very much more than a practical and real one.

Senator JACKSON. We have had some outstanding witnesses appear before the committee on this question of getting good people in Government, and I think there is a general consensus that if the fellow wants to be a crook, just selling his stock is not going to change it. I do think that the present laws are certainly archaic. I often wonder when they talk about conflicts of interest whether or not in fact our conflict-of-interest statutes today are really against public policy. Public policy, of course, today should deeply involve the security of our country. I think a lot of these statutes do more harm than good in that they do prevent people that are needed in Government at critical times.

Secretary HERTER. I fully agree with you, Senator. I think you are familiar with the problem of recruiting first-rate people for Government service. This is certainly a complicating factor.

Senator JACKSON. Now if I might for a moment turn to the coordination between the State Department and the Department of Defense; do you feel that we do have good coordination in, for example, the area of research and development in the Department of Defense with State?

I have been interested in this problem for many years. I raised it years ago when I expressed deep concern about the international political implications of the Soviets achieving the ballistic missile before we did. I was not in that instance concerned about their hitting us with it. I was concerned about ballistic blackmail. It has been my view of the matter that at least a while back not too much consideration was given to this problem of thorough and careful coordination between what Defense is undertaking in the area of new weapon systems, and its possible implications for foreign policy. I ask the question not in a critical vein, but to find what we can do to improve the relationship in this area.

Secretary HERTER. Very frankly, Senator, this is an area in which the State Department has played a very small part. Naturally, we are tremendously interested in certain aspects of research and development. It is probably greater in the psychological field than in the field of weaponry with which obviously we cannot be too familiar.

Senator JACKSON. I want to make it clear that I was not inferring for one moment that you should give advice regarding the development of hardware as such, but what concerns me is the need for the Department to be currently and fully aware of the research undertakings by the Department of Defense, as they might have an impact on the diplomatic arm of our Government.

It was in that light and that spirit that I wanted to pose the question. Of course, the satellite is a typical example. In other words, there may be no change in fact as far as our military posture is concerned, but if our friends and other people believe that a change is occurring, even though in fact it has not occurred, we are still confronted with a serious challenge to the prestige of our country. I just wanted to ask the question as to what you think could or should be done in this area so that we have a better monitoring of the situation.

I am convinced, Mr. Secretary, in the past—and this is again without any criticism because I am sure it was not done under previous administrations—from my own personal experience, because this was a little personal interest that I followed through for many years, I am convinced that there was not always that coordination.

Secretary HERTER. May I say this in that connection: Insofar as coordination, familiarity, and keeping in touch with what research and development has been doing, we are in better shape now than I think we have been in a long time. While I was Under Secretary of State, I was instrumental in getting a science adviser appointed to the State Department. He is now a part of our regular staff. We now have a number of scientific attachés at our embassies abroad.

In addition to that, members of our policy planning staff have been in very close touch with Dr. York and his associates in the Defense Department. So I think we have a much better liaison than existed previously with regard to the new technological developments.

Senator JACKSON. Yes, I believe there is no question that the situation within the Department of Defense, particularly, has been strengthened. Dr. Herbert York, the Assistant Secretary of Defense for Research and Development, came into that office, which was a new one, and indeed is a very capable man. I just hope that there is this cross-fertilization of ideas as it affects your Department and that it is carried on on a continuous basis.

I have been feeling that science and technology has become a very important element in your work.

Do you feel that there is a need for raising the prestige and status of the scientific advice within the Department of State? You do have a scientific adviser now?

Secretary HERTER. Yes.

Senator JACKSON. In the last 2 years you have scientific attachés.

Secretary HERTER. Yes.

Senator JACKSON. Do you feel that the present undertaking is adequate in this regard?

Secretary HERTER. Yes, I do. I think there will be a gradual development in this field. It is not an easy field to build up in quickly. In other words, the problem of recruiting first-rate scientists who also perhaps have a foreign language of the particular post to which they are going and can get leave of absence from their regular posts, whether in the academic world or in the commercial world, is a matter

of slow development. But in our principal posts now I think we have first-rate men.

Senator JACKSON. Referring now to the budgetary process, do I understand that the Department does meet from time to time with people in Defense so that there is some exchange of some ideas regarding what the Defense posture should be as it relates to foreign policy?

Secretary HERTER. Very definitely. I would not want to give figures, but I suppose I meet with Tom Gates and Jim Douglas two or three times a week, entirely aside from Cabinet meetings or in NSC meetings, but on matters of direct interest and concern to us.

Senator JACKSON. In view of the fact that the Secretary of State today has to deal with so many new elements of power, economic, political and the one that has always been the right arm of the Secretary of State, the military capacity of the country, it seems to me that you have the further burden of more or less being the orchestra leader in this broad field of power to bring the various elements within the other departments to bear in a coordinated way so that the hand of the President can be strengthened.

I just wondered how you feel about the importance of the primacy of the Secretary of State in these matters.

Secretary HERTER. I put that in pretty strong language in my prepared statement. I think it is very important, regardless of who the Secretary of State is. Wherever any function of government impinges upon or has a direct bearing on our foreign relations, his voice should be heard. I tried to make it clear that there are certain types of things—let us assume domestic policies—where there are many other agencies of government that have a very great interest and the Congress has a very direct responsibility in those. But in those I think the voice of the Secretary of State should be heard because sometimes domestic policies can have tremendous repercussions on our foreign policies.

Senator JACKSON. I am glad to hear you say that. Do you feel that there is sufficient authority in the office of the Secretary of State to do that coordinating job?

Secretary HERTER. Yes. I think that is working out very well at the present time.

Senator JACKSON. What disturbs me, Mr. Secretary, is that some of these other departments get off into the field. I am speaking now of the basic bureaucratic problem and I am not talking about any Cabinet official as such. The departmental structure of the Government being what it is, with other departments sending as they do representatives abroad, there is a tendency for these other departments to get their hand in the area of foreign policy.

I just wonder if the present status is such as to preserve the primacy of the Secretary of State in this broad area of power that we have been talking about.

Secretary HERTER. I think in that respect the building up of the authority of Ambassadors overseas, as the chairman of the country team, has done a tremendous amount of good. There obviously you have to have only one spokesman for the Government. More and more it has come to be recognized that the Ambassador as chairman of the country team is the responsible official. There is always the

danger of enthusiasm carrying individuals away. But by and large, I think the discipline in this respect is getting better all the time.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Thank you, Mr. Chairman.

Mr. Secretary, it is a personal pleasure to welcome you here this morning. I suspect that all of us have in back of our minds questions illustrative of the points you made which we cannot ask in open session. I would like to ask you to clarify two or three points which you make in your statement.

First of all, I would like to express my complete agreement with two of the points that you make. First, the Congress cannot by any organizational legislation dilute the foreign policy powers of the President, and should not. Secondly, you point that overorganization can create more burdens than it lifts.

Now, I would like to draw your attention to the point in your prepared statement where you state that:

In my opinion the Secretary of State should, under the President, have in his relations with other departments, a clear primacy in foreign relations and in all matters with a substantial effect upon foreign relations.

Then at the end of the same paragraph you state that it is more a matter of recognizing that the activities and programs are for a foreign affairs purpose and should therefore be guided by an official responsible for foreign affairs.

The latter statement appears to be a much more diluted statement than the first one. I wonder if the latter was a more accurate description of your own position than the first.

Secretary HERTER. There I think what you run into is this: What I was trying to do is to say that sometimes it is difficult to identify a particular activity as having a direct foreign affairs implication. The question of identifying and definitely saying, "This has an important foreign affairs bearing," is important and has to be dealt with in order to clarify this question of the primacy of the Secretary in the deliberations on policy matters connected with that activity.

Senator MUSKIE. It is interesting that another recent witness before the committee made almost exactly the same statement, that the Secretary of State should have primacy with respect to all decisions or all policymaking bearing upon national security.

Apparently he meant it in a little different sense than you do. As I recall his testimony, he intended to say that the Secretary of State actually should be in the nature of an Assistant President with almost a final impact upon recommendations of the national security field to the President.

Secretary HERTER. That again is really a question of the President himself. It is a question of the degree to which he wants to delegate to a Secretary of State direct responsibilities. As you know, and I emphasized at the beginning, it is the President who under the Constitution has to make the final determinations. Different Presidents, I think, are inevitably going to view that responsibility in different ways from the point of view of the coordinating function, from the point of view of evaluating the judgments of various Cabinet officers and officials. I would hope that the Secretary of State's voice would always be a very strong factor in the determination of policy by the President.

Senator MUSKIE. What you are saying, then, is that, if the President believes that the Secretary of State should be the single most influential voice in the national security field, this is his privilege and his prerogative, but that the Congress should not undertake to impose this kind of weight.

Secretary HERTER. I don't see how you can put it in legislative form with the constitutional provision that stands at the present under which the President must take the responsibility.

Senator MUSKIE. I think you are absolutely correct.

One other point: On page 4 you state that a more immediate and profitable target is for the Department of State to seek to improve its capacity to provide timely political guidance to the Department of Defense and reciprocally for the latter to seek to improve its capacity to provide timely military advice. The word "timely" intrigues me and I wonder if you could expand on that thought.

Secretary HERTER. Yes. There are a great many decisions, as you know, that have to be made on a 24-hour basis. The question of having available individuals with whom you can confer is a matter of very real importance—whose judgment you respect with regard to the military aspect from our point of view, from the Defense Department point of view, from the point of view of the political impact.

It is from this point of view that I made this recommendation for an interchange of a larger number of people between Defense and ourselves. I have been talking to Secretary Gates about that. I think he fully concurs and we are in the process of trying to work out an even better integrated system, particularly at lower levels, through the geographic bureaus. We have now in the foreign service about 300 individuals who have been to the war colleges for training. That means that we are developing a larger and larger group in our Foreign Service who have a familiarity with military problems which the average layman does not have and which is extremely useful. More and more military officers are coming to our Foreign Service Institute for work there in order to get the political background that helps them in making their own assessments. But the more we can weave these individuals into the actual structure, particularly at lower levels, the better off, I think, we are going to be.

Senator MUSKIE. You are using "timely" in an operational sense rather than in a planning sense?

Secretary HERTER. I am speaking of both. From a planning point of view I think our relationships are very good. In the operational sense it is pretty much of an ad hoc business now. When a problem arises, usually the judgments are secured by phone where the matter requires a quick decision. The judgments are secured by phone both ways.

Senator MUSKIE. Do you have suggestions with respect to the organizational relationships which might improve the timeliness of this interchange of judgments.

Secretary HERTER. Yes. Again it is the same problem as the chairman stressed at the beginning. It is a question of finding the right human beings. Because no matter how you set it up on an organizational chart, the relationships and the value of those relationships depend so much on the individuals who are selected.

Senator MUSKIE. Would you include in this observation, in addition to State and Defense, our intelligence activities?

Secretary HERTER. Yes, I would say it applied there also.

Senator MUSKIE. There ought to be a close operational relationship between the three activities?

Secretary HERTER. There actually is. I do not feel that I am warranted in discussing this in open session.

Senator MUSKIE. I am not going to press the point.

Then in the next paragraph, Mr. Secretary, you spoke of the advisability of an exchange of personnel between the two Departments. A previous witness discussed this same suggestion with a minimum of hope that it will work out. He suggested that the personnel in both Departments would feel that this kind of tour of duty would interrupt the service which leads to promotion and advancement in their careers. Would you think that might be an obstacle?

Secretary HERTER. That is entirely a question of how these things are viewed within a department itself. If the head of the Department is sympathetic and feels that this is an important tour of duty, so to speak, it could become an asset rather than a liability. That is always very hard to tell. For instance, I would not know enough about promotional requirements and so on in the Defense Department to know whether a tour of duty with the State Department would be a liability or an asset. That is something that Mr. Gates could speak of very much better than I could. But, as I say, from our point of view actually selection for War College service or for the Imperial Defense College in England or the Canadian Defense College in Canada is considered a choice assignment from the point of view of overall, rounded experience.

Senator MUSKIE. Apparently you are more flexible in your promotional requirements than Defense.

Secretary HERTER. I am not suggesting a promotional policy for anyone else.

Senator MUSKIE. At the top of page 5 you say that:

It is my belief that participation by the Secretary of State in the NSC, in the Cabinet and in confidential discussions with the President affords ample opportunity to advise the President on the defense posture and the defense budget.

Is that opportunity used?

Secretary HERTER. Yes. Budgetary matters are discussed very frequently on those occasions. The budgetary process begins way, way back. In other words, it begins a year and a half before the Congress has actually acted. Budgetary considerations obviously are a matter of very great concern to all Cabinet members, NSC members, and to the various departments concerned, and they are discussed very frequently.

Senator MUSKIE. Is there an effective opportunity to evaluate the effectiveness with which Defense posture or the Defense programs implement security policies which are agreed upon with the participation of department heads other than Defense?

Secretary HERTER. Yes, I feel there is.

Senator MUSKIE. That is all.

Senator JACKSON. Thank you, Senator Muskie.

Before calling on Senator McGee, who is with us today as a member of the Appropriations Committee, I intended to but failed to compliment you, Mr. Secretary, on the comments with reference to the exchange of personnel between the two Departments, State and Defense. I think your thoughts on this point are most important in light of the growing closer relationship between State and Defense by the very nature of the change in weapon systems and modern weapon technology. I particularly share your judgment of the value of the war college. I had an opportunity to talk to some of them. I would only express the hope that more people from State will be allocated positions at these various colleges.

It has been growing little by little each year, and I think this is one area in which real opportunities exist.

Secretary HERTER. We now have 35.

Senator JACKSON. At the National War College?

Secretary HERTER. At the different war colleges.

Senator JACKSON. That is certainly going in the right direction.

Senator McGee.

Senator McGEE. Thank you, Mr. Chairman.

I have no appropriation questions to put. That may have been a misleading introduction. I do have some questions to put as a student, however. That is why I appreciate the chairman's including me in this little seminar this morning. It has been very helpful to me.

The burden of the question that we have skirted around many times here is that as a result of the intensifying of our interdependence of all segments, economics, politics, diplomacy, and the impossibility of separating them, we have created a power position somewhere along the line that is rather awesome among our friends as well as ourselves. I think we are addressing ourselves to the proper location of responsibility for the exercise of that power. I can recall in other seminars of measuring the difference in America's emerging world responsibility between that of a Chief Executive who in fact becomes his own Secretary of State in some instances, or the opposite condition, in which we had Secretaries of State who were in fact nearly Presidents, at least on international questions. The conclusion was reached that it made a difference in the conduct of America's security considerations under each one of those circumstances.

I think the cases in point are rather well-known ones. John Hay was pretty much boss for the first few years of Teddy Roosevelt's term. Teddy Roosevelt was his own Secretary of State in the second term. It posed another kind of foreign policy projection. I think it is generally agreed that William Seward was virtually President for a little while until Mr. Lincoln by the crises became in fact the real President of the United States. I think Charles Evans Hughes was certainly boss in this area of international affairs when he was Secretary of State under Mr. Harding. I think on the other hand, we have had men like Teddy Roosevelt, Woodrow Wilson, and probably Franklin Roosevelt, who were in fact their own Secretary of State. This suggestion and assemblage of power which in your reply to Senator Muskie you said must remain a decision on the part of the Chief Executive himself—I don't want to misquote you on that—that is your belief, that there is no alternative to leaving it there.

Secretary **HERTER**. Under the constitutional provision I see no alternative to that.

Senator **McGEE**. I agree with that, constitutionally. I think we are concerned here today not alone with constitutionalism at the moment but with the seriousness of a problem that faces us in terms of exercising responsible power. Would you consider it wise if the Constitution were to be modified accordingly to consider some alternative to the present setup?

Secretary **HERTER**. I would have rather serious doubts on that. I think that the Chief Executive of the country is always going to have to take the major responsibility in connection with our relations with other countries. I think it would be a very difficult thing by statute or by constitutional change to put that into a nonelected official who was appointed.

Senator **McGEE**. I think I agree with you. I was only a little concerned, because there was a tendency that I sensed to dismiss the consideration of alternatives because of the Constitution. It seems to me that the times are serious enough so that we ought to have a no-holds-barred look at all alternatives and then decide wisely what we ought to proceed toward.

Let me ask you a second question on this. Would you envisage the depositing of whatever this responsibility is that interrelates between the Secretary of State and Defense and the like in what the Senator from Maine alluded to as an "Assistant President"?

Secretary **HERTER**. That is a very difficult thing to say, as to how one would exactly define an Assistant President's responsibilities, that is. I think it is well worth exploring any possible and practical way or relieving the President of some of his burdens. I think it is a very useful thing to give great study to. I frankly am not clear in my own mind as to the best way of doing it. It is a matter that we have been thinking about, that is, all people who are interested in the structure of government, and we must give thought to it.

Senator **McGEE**. Is it not conceivable that perhaps a more responsible role for the Vice President of the United States could be worked out? At the present time the Vice President under the Constitution among other minor things is to preside over the Senate. There are those of us present who can testify that while that is sometimes a taxing obligation for some of us, it doesn't require the greatest insight and the greatest talent in the world to do that. I am wondering if under these modern times that we might really take a look at someone like the Vice President of the United States as one to become the repository for this kind of coordination of these various interrelated responsibilities, for conveying them to and keeping in touch all the time with the Chief Executive.

Secretary **HERTER**. Senator, I think that is a question of degree. I think that the Congress did a very wise thing when they required by law that the Vice President be a member of the National Security Council. How far you want to extend that, I don't know. There again the role of the Vice President depends a good deal on the responsibilities that the President himself assigns to him, largely in connection with ad hoc committees and specific missions. I don't know that it would be easy to spell out a greater degree of responsibility and

at the same time give the Vice President the primary responsibility of presiding over the Senate.

Senator McGEE. I certainly agree. I am sure it would not be easy. I am sure we could find all sorts of reasons not to do it. It may not be the wise thing to do. I am frankly just a little disturbed, in view of the magnitude of the problem that we are all concerned with here this morning, at the reluctance to open up wide what I think you referred to here as "drastic steps."

I seriously wonder whether some drastic step is not required. We would hope that it would be the wise drastic step, if it were to be required. I personally find it just a little disturbing that we continue to sink back to the conclusion that there is no great deal more to be done except tightening up a few more bolts and screws that really can be done on our administrative pattern, in view of the changes. When our system was put together, it was a far simpler day than we are living in now. Even in the realm of foreign policy alone it was not very many years ago that five or six men could read the cables and pretty much run the foreign policy of the United States. For a hundred years, almost, two men in the Department had a very large hand in the formulating of American policy. But that is all gone now. That is the reason, it seems to me, that we may have to go a little further than it is comfortable to think about at the moment if we are to avoid the kinds of pitfalls that we are going to be confronted with more frequently rather than less frequently in the days ahead.

Secretary HERTER. I agree with you, Senator, this is a field that deserves very serious consideration. I am sorry I cannot come up with any pat answers for you because I haven't got them. But I come back all the time to the question of individuals and the strengthening throughout our entire Government service of what you might call career individuals who give continuity and can give the kind of advice to the political appointees who are a part of our system, who are the Cabinet officers, and so on, with changes of administration, changes of personality so as to give us a stronger continuity in basic matters.

I might say the original Department of State consisted of Thomas Jefferson and five clerks. Those were in the days when there were no typewriters and every message that was sent by mail overseas had to be copied. But that was the entire Department of State. We have come a long way from those days.

Senator McGEE. The gap that I think we all admit exists prevails between the final ultimate decision of responsibility, which the Constitution lodges with the Chief Executive, and the advisory agencies, that is, the Cabinet positions. Because of the tremendous burdens on the President not only for foreign policy or national security in the immediate sense, but also economic, domestic, and all that sort of thing, it seems to me off the top of the head that somewhere in that gap there is a place and certainly the need for a clearly defined responsible public official who serves direct for and is responsible directly to the President at all times. The President cannot be in Washington all the time. No President can. They have many taxes on their time. Some one person—which I think is the gap that prevails right now—is needed. There is no one clearly defined publicly recognized individual in such a role. I would think that our experiences certainly since World War II would warrant the wise people

with the brains and ideas going to work on shaping up something to close that gap. That would be my only concern here this morning. I am just a little discouraged by the fact that we seem to retreat to where we have been for the most part and try to patch it up a little bit, and put a patch on a patch and do it a little better.

I question whether that is enough, or again to borrow your phrase, whether it is drastic enough under the circumstances. That is all I want to ask, Mr. Chairman.

Senator MUSKIE. Mr. Chairman, may I ask a question?

Senator JACKSON. Senator Muskie.

Senator MUSKIE. I think, Mr. Secretary, you and I who have been in the executive branch have a different point of view on this general subject than the distinguished Senator from Wyoming. I would like to put one other alternative, since we are posing them this morning. It seems to me that what we are concerned with here is the point that we don't really want anybody except the President to make the really important policy decisions, both domestic and foreign, in this country. So it seems to me that what we have to do is to categorize the decisions which are primary in their nature and those which are secondary. If we want him to devote more time to the primary areas, we have to expand the secondary areas.

There is just so much time that a Chief Executive can give. There is just so much energy that he has. As the demands on that time and energy increase, then we have to be a little more clear and a little more adequate and a little more accurate in pinpointing his primary responsibilities and in expanding the areas of secondary responsibilities. In that latter area, perhaps, lie some of the answers in terms of delegation of authority and the creation of new responsibilities for somebody else.

Would you agree with this general approach?

Secretary HERTER. Yes; I would agree with it. I think there is a very fertile field for a study, particularly by the Congress, on the question of the number of agencies that report directly to the President. You have not only the regularly constituted agencies that have pretty long historic backgrounds, but you have a great many boards and commissions of all kinds that are created, some of them regulatory, some of them advisory, which report directly to the President.

I think it would be a very fertile field of study from the point of view of relieving some of the burdens to see if those could not be narrowed down to where, at least in the first instance, they report to a regularly constituted Cabinet officer or a regularly constituted department, so that it would take the load off the President having to deal directly with these many boards and commissions. There are a great many, I think you will find in the study of our Government structures, a great number of agencies of all sorts that report directly to him and that add very considerably to his burden from the point of view of what you might call the regular housekeeping operation of the Government.

Senator MUSKIE. Thank you, Mr. Secretary.

Senator JACKSON. Senator Clark?

Senator CLARK. First, Senator Jackson, may I express my gratitude to you for having given me the opportunity to appear here this morning.

Secondly, may I say, Mr. Secretary, that I was particularly struck with your comments in your opening statement concerning personnel matters. I would like to make a brief observation and then ask you to comment. I have reference to that part of your statement, and I quote:

I subscribe to the sentiments of those who place even greater value on the human elements, on the devotion, ability, and experience of the Department of State and the other principal departments of Government.

I suggest, and I wonder if you would agree, that of equal importance with a more effective and modern organizational structure is a drastic improvement in the caliber of personnel who are used to staff freedom all across the spectrum of American civilization, whether it be in Government, in private industry, the arts or sciences, and that we have no national personnel policy. We had better get one before it is too late.

Part of any effective national personnel policy would be placing in the White House and taking away from the Civil Service Commission the responsibility for those functions of personnel management which are an inherent part of an executive in private business.

Another important factor would be to create a Council of Manpower Advisers, also in the White House, with the purpose of coordinating their activities with those of the Council of Economic Advisers, and working with the Council of Economic Advisers, making an effort to staff freedom, which would be to increase the rewards and decrease the punishments of those careers which are clearly in the interest of our national goals, and perhaps even to increase the punishments a little bit of those occupations which today have a very high monetary return and perhaps are not very important in the pursuit of our national goals.

I now bring this down to the problem of adequate recruitment for the Federal services in general, and the State Department in particular. I wonder if you would agree with me that we should increase the rewards of a career of service and decrease the punishments of a career of service in the State Department, by such methods as higher salary, increased representation allowances, and through every public relations media to make the career an honorable one in the eyes of the American people, instead of the striped pants boys who balance cookies on their laps. And whether this is not a real area in which a lot of hard thought could fruitfully be given.

Secretary HERTER. I agree with you completely. I can speak only for my own department. The strengthening of our Foreign Service is one of the things with which I have a very great personal interest. It is an interest that runs back a good many years. Some years ago I was instrumental in founding a School of Advanced International Studies here at Washington, which is now a graduate school of Johns Hopkins, for the very purpose of the developing of better talent to go into the Foreign Service.

We now have pending before the Congress a bill with respect to the Foreign Service Institute that has some very important provisions in it from the point of view of strengthening the Service. One of the most interesting ones is the one to which you alluded. To strengthen the Service you have to make it possible for the talent to

rise to the top and not to have such strict seniority that it is entirely a question of age.

Senator CLARK. There are some of us who think this would be helpful in the Senate also, but we are in the minority.

Secretary HERTER. I would like for us to have an opportunity to do what has been done pretty successfully, I think, in the military services. That is, after 15 years of service, when one has had a really good chance to examine the full qualifications of a man and his wife—because they are both very important in our Foreign Service—there is a possibility of giving him a chance while they are still young enough to take up another career with a small pension for the years that they have served. We have not been able to get that through. We have tried for a number of years. From the point of view of the selective process, it is a very important thing.

There are other provisions to strengthen our Service in the pending bill, and naturally we are hoping very much that it will be given favorable consideration before this session of the Congress adjourns.

Senator CLARK. I hope so, too. Thank you for your comments. Members of the press will recognize that in my statement I was plugging, too, for my own bills.

I have only one other question, Mr. Secretary. And that is, whether you think there is a field in which we could save the President valuable time by curtailing his ceremonial duties, which appear to me to be far too taxing and to take far too much of his energy. When I was mayor of Philadelphia I operated under a new charter which created an agency called the city representative. He was defined as being the ceremonial representative of the city and especially the mayor. He kissed the babies and cut the ribbons and went to the meetings and welcomed the delegates. I wonder if some similar technique would not be helpful at the national level.

Secretary HERTER. Yes. I referred to that earlier in my testimony. Today the ceremonial process, particularly with visiting dignitaries, is a very taxing one, both on the President and on the Secretary of State. It takes a great deal of time. It is a ceremonial function, essentially. But, unhappily, you have had these standards built up all over the world, that a person's prestige is built by the number of officials that go to the airport to meet him when his plane arrives, or the dock when the ship comes in, or the station when he comes in by train. Then you have to go through just so many dinners in order to comply with the standards that have been set.

Those standards have been set to a point where, particularly with the ease of travel and the interchange of these figures among the different countries, it becomes a very real burden.

Senator CLARK. This I can understand; but I take it it would be your view, as it is mine, that we would be wise in the future to delegate far more responsibility to our ambassadors, to deal far more at a higher level with the ambassadors of other countries here, and thus curtail the need for either the Secretary of State or the President to be traveling all over the world with respect to diplomatic matters where you don't even have enough of a consensus to make a meeting worthwhile.

Secretary **HERTER**. Yes, I would say that was true up to a point. On the other hand, there unhappily is no substitute in dealing with human beings, with having known them face to face. It is just one of those human things that there is no substitute for. I think that a number of contacts between heads of states are very desirable things. I am not advocating at this moment particular types of conferences for the negotiation of business. But merely from the point of view of getting to know individuals, to know what their interests are, to know how they function as human beings—that is always important.

Senator **CLARK**. I agree with you thoroughly. This really is a question of degree. There is no substitute for those personal relations. On the other hand, you don't have to spend your whole time at this kind of business, nor do you actually have to greet Miss Peach Queen from Pennsylvania when she comes down here, having won the national award for having baked the best peach pie in the United States. The President still does a little bit of that; not as much as he used to, to be sure.

Secretary **HERTER**. As you know, Senator, the pressures from the cake bakers are pretty strong.

Senator **CLARK**. As every Senator knows.

Thank you, Mr. Chairman.

Senator **JACKSON**. Mr. Pendleton, do you have any questions?

Mr. **PENDLETON**. Mr. Secretary, you have very adequately described the burden on the President and on the Secretary of State in traveling abroad to these international meetings. Is it not true, and do I not understand you to state it to be so, that a reduction in this travel cannot be accomplished unilaterally by the United States?

Secretary **HERTER**. That is true. If we did it by ourselves, the implication would be that we are downgrading the importance of these meetings, and I think it would be very much resented by our allies and the others with whom we are associated in these international meetings.

Mr. **PENDLETON**. At the present time, you indicated that the Department of State has some 35 officers in training at the service colleges. If those colleges requested the Department of State to double its enrollment next year, would you have available officers to send?

Secretary **HERTER**. I think we might. I have some doubt if we have enough at the highest level. But if it were possible for them at a lower level to be integrated and get the full benefit of those courses given at those colleges, I think we could do it.

Mr. **PENDLETON**. Do you have an adequate appropriation which permits a staffing pattern that will leave your desks properly covered and still permit you to do that?

Secretary **HERTER**. That is a struggle every year, may I say, from the point of view of our salaries and expenses.

Mr. **PENDLETON**. In earlier testimony before the subcommittee, the question of the tour of duty of military and Foreign Service officers was discussed. What is the present tour of duty for your Foreign Service officers?

Secretary **HERTER**. I would say that it varies between 2 and 4 years. Sometimes it runs a little over 4 years, but it is not apt to in any one post. Two years is almost a minimum. Four years is what we consider the preferable tour of duty.

Mr. PENDLETON. This morning you referred to the operation of the agricultural attaché service. Is it not true in most, if not all, of your embassies that the agricultural attachés coordinate and clear their formal reports with the ambassador's staff before sending those back to Washington?

Secretary HERTER. On the whole it has worked out pretty well. We have had instances where it has not. We have made no bones about it. This is something that the Congress has prescribed and that we have accepted.

Mr. PENDLETON. In the interim report of the subcommittee, there is reference to the British system of permanent Under Secretaries. Does not the Department of State at the present time have in some ways the advantages of that system through the utilization of its Foreign Service officers in policy positions?

Secretary HERTER. As of this moment, the Under Secretary of State for Political Affairs, Mr. Livingston Merchant, is a career officer. Both of our Deputy Under Secretaries of State are career officers, Mr. Anderson and Mr. Hare. So there is a definite provision for continuity there. All of those appointments, however, are subject to the advice and consent of the Senate and are at the choice of the President. They could all be political appointments.

Mr. PENDLETON. My last question relates to the foreign trade of the United States. In recent years, two questions have been uppermost in the minds of the business community. One concerned the volume of imports of certain goods into the United States. More recently there has been a problem of increasing the exports of the United States in order to better balance the payments situation.

Within the Department of State today, do you have an adequate organizational setup that would permit detailed studies of these questions as they are related to domestic production?

Secretary HERTER. We have actually set up a new coordinator under an Assistant Secretary of State, Mr. Mann, for that very purpose. Not only that, but in connection with American business abroad and the stimulation of exports, our ambassadors when they come back here on leave go to most of the principal concerns that are doing business in that country by way of consulting with them and doing everything they can to help in this overall effort, which we feel is the answer to the balance of payments problem rather than to curtailing imports.

Mr. PENDLETON. Thank you very much, Mr. Secretary.

Thank you, Mr. Chairman.

Senator JACKSON. Mr. Secretary, in your prepared statement, you said:

This is not to say that I disagree with the concept that our foreign economic and foreign information activities ought to be under the control of the Secretary of State. It may be desirable at some time for the overseas information activities to be brought into the Department in a semiautonomous status somewhat similar to that successfully followed with respect to the ICA.

Could you elaborate a little further on that? I think it is important that the Secretary have this authority to keep the appropriate and responsible organizations under at least some responsible control. Do you have any other examples?

Secretary **HERTER**. From a statutory point of view today, as far as the information service is concerned, the Department of State has the policy responsibility. From the point of view of our relationships, we are doing extremely well. Actually the head of our information services is a Foreign Service officer and Ambassador, Mr. Allen, and our relationship has worked out extremely well. As you know, there has always been a difference of opinion, and I think for a long time, of whether or not the State Department should assume operating responsibilities in a field like the ICA and like the USIA.

Today, the relationship between ICA, which is really being brought completely into the State Department, except from the point of view of merging personnel services because of the need of special technicians in the ICA field, is working out very well.

Our relationship with the USIA is working out very well. From a purely operational point of view, I think it deserves a lot of thought as to whether or not the USIA should not be brought in in the same relationship to the State Department that the ICA has.

Senator **JACKSON**. One last question. We have had considerable testimony on the problem of inter- and intra-departmental committees that are involved in the decisionmaking process, particularly within the Department of Defense. This is a problem, as you know, that has existed under all administrations, so I want you to understand the nature of my question.

I wonder if you have any comments or suggestions that you might be able to make for the wisest use of these committees? You can have committees, and within the Department of Defense alone we have about 900. The question is, is there any way to improve the committee operation system so that there can be a wiser and better use of that device?

Secretary **HERTER**. I think it is very difficult to generalize on that subject. I think all departments have different types of problems and have different types of structural organization. So that the coordinating process, I don't think, can be reduced to a simple formula. In our own Department we have a staff meeting every morning of the principal officials. Running for 3 days a week, it is a small staff group of about 20. Twice a week it is a larger group of 35 or so. They last roughly an hour every morning. We start off the day with them. To my mind they are the most useful method of coordinating the different parts of the Department at a responsible level to know what the other parts of the Department are doing. They are extraordinarily useful from the point of view of interchanging and discussing problems as they arise on a day-by-day basis.

Senator **JACKSON**. My only concern is that a lot of these committees are set up and operate in such a way that they meet and time is consumed, but some of them lack the ability to reach a decision. I say this has been a part of the difficulty of bureaucracy all down through the years. That was the area I had in mind and which concerned me, based on testimony that we received and a lot of interviews that the staff has had with many responsible people.

Now we will recess briefly while we clear the room to take up matters that will occur in executive session, as the Chair previously announced. All matters relating to the so-called U-2 incident and the National Security Council will be taken in closed session.

I will say for the press that the committee does not contemplate releasing any testimony relating to the U-2 matter. The testimony relating to the National Security Council as worked out with the President in connection with guidelines previously made public will be released after appropriate consultation with the White House. Secretary Gates will testify in open session on the same general subjects at 10 o'clock on Monday, to be followed by a closed session under the same rules.

(Whereupon, at 11:45 a.m., the committee proceeded into executive session.)

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

FRIDAY, JUNE 10, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 12 noon, in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Also present: Senators Clark, McGee, and Stennis.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, and Brewster C. Denny, professional staff members; and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council.

State Department personnel present: The Secretary, Hon. Christian A. Herter; William B. Macomber, Jr., Assistant Secretary of State; Howard Furnas, Herman Pollock, John White, Graham Martin, Leslie Rood, and Alexander Schnee.

Senator JACKSON. Mr. Secretary, in your judgment what is the most useful and proper role of the NSC in assisting the President? Can it best serve the President with a large body with elaborate supporting structure which prepares formal papers, or a small group of the President's principal advisers who would discuss, usually without a formal paper, current matters of importance and major policy changes?

Secretary HERTER. My impression is that on the whole it is working pretty well. The question of size is a relative thing. The law prescribes, as you know, the members of the National Security Council, but also gives the President permission to bring into the National Security Council as participants such Government officials as he sees fit. Insofar as the Planning Board is concerned, and the papers that are brought in, that I think in a way facilitates the work. I think that unless you have some guidance for the discussion and that the issues that are to be discussed are pretty well pinpointed, even if it is a small group, you can wander all over the place. I think a certain amount of paperwork is absolutely essential.

Senator JACKSON. As a general matter, wouldn't you say that there are obviously so many problems in this world of ours and that some of our departments have a tendency to think that their problems are

the biggest; and they would like to get these problems to the NSC because if they get an NSC stamp of approval, it gives them top priority? Wouldn't you say that there can be a danger that in the NSC an effort is made to cover too many problems? Don't you feel its use as an advisory body to the President is at its best when they try to limit the areas of discussion and debate to the really critical issues, and then try to take some concrete action on them? In other words, it would be better to try to keep out a lot of collateral issues?

Secretary HERTER. In general I think it is true. On the other hand, it is quite an extraordinary thing that you often start with a comparatively small issue that maybe relates to one country or one particular problem, and it will bring out a very large issue in the course of the discussion. So again it is pretty hard to generalize as to just where you should draw the limit and who should have the authority in drawing the line as to what comes before the National Security Council. The Planning Board, of course, does a good deal of screening in that respect.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. I hesitate to keep the Secretary here much longer. I know he is busy and probably hungry at this point. So I am going to, if I may, simply read two comments on the NSC and ask if I may have your reaction to them. These were made by William Kintner, who was formerly a Planning Board assistant to NSC.

I wonder if you might give the Secretary a copy of this. This is the committee print entitled "Selected Materials," page 131.

Secretary HERRER. He was the Defense Department representative on the staff, I think.

Senator JACKSON. That is right. He is now at the University of Pennsylvania, I believe.

Senator MUSKIE. Yes. On page 131 at the bottom he suggests a standard for national security policy mechanism. He says that any national security policy mechanism equal to the challenge facing us must, therefore, be such that its personnel have, first, sufficient perspective to be able to see our national security problems in their entirety, and utilize every available means, public and private, in a flexible combination in their solution. Second, sufficient objectivity to devise, coordinate plans and policies, and impartial review and analysis of operations so that essential goals are achieved by the operating agencies without the ability of compromise. Third, sufficient time to devise broad imaginative and coordinated action programs.

He sets up these standards. As I understand the rest of his article, he says these standards are not met by our present national security policy mechanism. He suggests, and I think that the best condensation of his reasoning is found on page 132 in the third full paragraph beginning:

One reason why the U.S. Government is not as yet involved in a more rational staff system for the top levels of its national security organizations is the confusion that exists in many minds between the planning function at the national level and the operational duties of the executive departments. The various governmental departments have always been afraid that a staff at the President's level would assume some of their prerogatives and functions. They are perfectly willing to have the general planning function done by interdepartmental representatives because they feel they can practically dictate the result of such planning.

So he makes two points in the excerpts which I have quoted. One, that the national security policy mechanism does not meet these three standards, and secondly, that they cannot be met by interdepartmental organizations, but can be more effectively met by a staff at the President's level.

I have done this hastily and sketchily, but I would like to get your general reaction to that.

Secretary **HERTER**. This is something I tried to touch on in my prepared statement. It is really the concept of the ivory tower planning staff versus a planning staff made up of people who are in constant touch with operational problems. I think you get more realistic planning from those who are in constant touch with the operational problems than from those who are completely divorced, as we would have them here, from any operational relationships. An outside staff presumably made up of individuals who did not represent departments, and if they are completely divorced, as I tried to point out, in planning work we try to get as many diverse points of view as we can. This may mean that in the process of consultation and shaking down you get to a common denominator which sometimes is not a desirable thing. But from a very practical point of view in the National Security Council, there is never a piece of paper that comes up that does not have split views on it. In other words, in the Planning Board they just don't reconcile their views. This has to be done at the level of the National Security Council itself with the President making the final decision, but with the various department heads having a chance to express themselves on split views.

Senator **MUSKIE**. I am sure on the operational level of the various departments, and I am thinking of the Department of Defense, particularly, that from time to time there develop very strongly held and sharply different points of view on particular problems and issues. I think that the criticism in Mr. Kintner's article and others contained in this volume are directed to the point that the sharpness and strength of these differences is blunted before they reach the National Security Council level. I wonder if you would react to that?

Secretary **HERTER**. No. If I read this correctly, what he has in mind is that Planning Board would tell every department how to run their show.

Senator **MUSKIE**. Forgetting now his proposed solution, as to which I agree there are objections, do you feel that arguments which start on the operational level in a given department are given a full hearing, not by the people who hold these points of view on the operational level, but in terms of merit of their cases, on the National Security Council level now?

Secretary **HERTER**. At the National Security Council level, I think they do. Wherever there are specialists in a given field whose views might be important, they are brought into the National Security Council discussion.

Senator **MUSKIE**. I am wondering for the purpose of illustration—I am reaching the guidelines, and if I am, bring me up short—if General Power's point of view on the adequacy of our missile program was advanced as strongly on the National Security Council as it might have been in the operational level?

Secretary **HERTER**. As it was in the press?

Senator MUSKIE. Thank you, Mr. Secretary.

Secretary HERTER. Very clearly you have the Chairman of the Joint Chiefs. You have the Secretary of Defense. You have the Under Secretary of Defense. Something tells me that in the Defense Department, and I am speaking out of turn because I have no right to speak to this, there are a great many conferences before they come in with an agreed position, so to speak.

Senator MUSKIE. They do tend to come in with agreed positions.

Secretary HERTER. If you had every service quarrel brought into the National Security Council, there would be no end to it. Obviously there has to be some screening process. The decisions have to be formulated for the President to act upon. In his case, often he has sessions with the Joint Chiefs, with the Defense Department, entirely separate from the National Security Council to go into things much more thoroughly than he could in the limited time for which a National Security Council meeting is held.

Senator MUSKIE. May I make this observation. I agree with you that the National Security Council should not be an appeals board for every quarrel that develops in any of the Departments. It also seems to me that we ought to insure to the extent that it is possible that strongly held differences of opinion, which are vital and important, should rise to the National Security Council level. I am not sure there is an organizational answer to this.

Secretary HERTER. I have sat on it now for 3 years and I can assure you that there are very lively discussions there and very lively differences of opinion that are held absolutely freely before the final decisions are made.

Senator MUSKIE. Are these differences of opinion as between departments or differences of opinion within the given department that rise to the National Security Council?

Secretary HERTER. Usually as between departments. On the other hand the Joint Chiefs very frequently have a different view from the Defense Department which they want to have expressed and they always have a right to express.

Senator MUSKIE. Are there only differences on the level of the Joint Chiefs or the Secretary of Defense brought to the National Security Council or differences at lower levels?

Secretary HERTER. If we went to the colonels and the captains we would never be able to resolve anything.

Senator MUSKIE. Thank you.

Senator JACKSON. The Chair wanted to indicate that I think it would be well to hold the record open in case the Department would like to file any supplementary statements. I have particularly in mind that Gerry Smith as head of the Policy Planning Staff would desire to make some comments which we could include in the record. If there is no objection, we will hold the record open because you may have some additions that you may want to include, too, after you have had a chance to look at the record.

Mr. Secretary, General Cutler has indicated that during the time he served as special assistant to the President for national security affairs—and he was there quite some time on two different tours—the emphasis in the NSC gradually shifted, that is, in the sense that less time was spent in the preparation of formal policy recommenda-

tions and more time was spent on prearranged informal discussions and debate of extremely important issues based on the so-called discussion papers. I believe this is the terminology.

Based on your experience, do you think this is a useful shift in emphasis, that is, having the NSC concern itself more with the discussion and less with, shall we say, grinding out papers?

Secretary **HERTER**. Yes, I do. I think this has been an evolutionary process.

Senator **JACKSON**. It has been a healthy change?

Secretary **HERTER**. I think it is a very good change.

Senator **JACKSON**. If I may turn to the OCB for a minute, which has the responsibility of coordinating the plans which the departments and agencies must carry out in connection with policies adopted by the NSC, do you feel this is an area that should warrant further study to see if improvements could be made?

Secretary **HERTER**. I would never say there was any area in which improvements could not be made. I was Chairman of OCB for 2 years. The feeling of utility varied an awful lot. At times you felt that you were being very useful. At other times you felt you were fanning the air or spending a lot of time reviewing minutia. There are two phases of it. The members of the OCB eat lunch together every Wednesday. In those discussions where there is very little staff anything can be brought up and those discussions are extraordinarily useful. Again it is a little like a staff meeting. When you get into the formal sessions, you again apply yourself to paperwork. Sometimes you get yourself so bogged down in the editing of a word or a sentence that you say, "My God, why am I spending so much time on this?" Other times pretty important decisions are made and made very quickly. If it were not for the OCB, you would have to have something similar. That is always the answer you come up with. There has to be one coordinating body somewhere where you can air out differences in the operational end of things, and often you find that something may have been decided upon but runs into operational difficulties that requires a complete reassessment. From that point of view it is very valuable.

Senator **JACKSON**. Could it be improved upon if they could concentrate on fewer matters?

Secretary **HERTER**. That is a question mark in my mind. We have some 85 nations to deal with today, as I indicated earlier. Most of the OCB's operations are in the international field. That is where the coordinating process is required. Sometimes we get into a domestic matter where the individual concerned with it comes in. But the mere fact of our geographic divisions in connection with the individual countries and the problems in those countries makes a good inter-departmental review of what is going on in the country a healthy process. It means a lot of work. You often get kicks why do I have to come up with a new evaluation of how the operational process in connection with some NSC decision is working. I think it is a healthy process to take a good look at yourself at regular intervals. While sometimes the taking a good look at yourself and a complete review of an existing situation does not produce any particular change or very minor things that come up in connection with it, the mere fact that it has been made comparatively recently gives you a feeling of some assurance that you are not letting a situation just drag because it is not

being reviewed. That means that a lot of matters do come in inevitably. More and more, as you know, our problems have shifted from areas where you consider a whole group of countries together to now where we have these independent countries which have separate problems and more and more you have to subdivide because there is too much in an area that you just can't cover.

Senator JACKSON. These emerging nations in Africa will cause even more trouble.

Mr. PENDLETON. Mr. Secretary, do you believe at the present time that the NSC does cover too many issues?

Secretary HERTER. No.

Senator JACKSON. Mr. Secretary, we want to express our appreciation to you for taking time out in connection with your very arduous schedule. We are grateful for your comments. We are most appreciative for your suggestions here today. Thank you very much.

Secretary HERTER. Thank you.

(Thereupon, at 1:15 p.m., the committee recessed subject to call of the Chair.)

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

MONDAY, JUNE 13, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 3802, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Brewster C. Denny, professional staff members; Edmund E. Pendleton, Jr., minority counsel.

Also present: William Darden, staff, Senate Armed Services Committee; Robert Berry, administrative assistant to Senator Mundt.

Senator JACKSON. The committee will come to order. The Subcommittee on National Policy Machinery continues today its hearings on vital issues of organization for national security. Is our Government now effectively organized to identify and plan ahead on the critical issues of national survival? Where is there room for constructive reform? The current series of hearings is focused upon the problems of policymaking and policy coordination by the Departments of State and Defense and upon the National Security Council and its subordinate agencies.

Recent events have focused public attention upon the problem of governmental machinery and the need for a governmental structure capable of effective, timely, and coordinated response to the fast moving complex problems which face us.

In this connection I wish to state again that specific testimony concerning the U-2 incident or other intelligence matters as they relate to the national security policy process will be taken in executive session.

As the members know, we have agreed with the President that testimony by present or past members of the National Security Council or its subordinate bodies regarding the Council and its subordinate machinery will be taken first in executive session.

At this point the Chair wishes to state that he has noted that the Secretary's statement does refer to the National Security Council. The guidelines which were prepared in cooperation with the White House and specifically paragraph four which was included at the request of the White House provide as follows:

Any testimony by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session. Decisions as to the taking of subsequent public testimony by such officials with respect to such matters and as to the subsequent publication of their testimony or parts thereof taken in executive session will be governed by security considerations as agreed in each instance between the subcommittee and a representative designated by the President, and any reference to the National Security Council or its subordinate machinery with respect to any matter not covered in paragraph 3 above will not be publicly released except as agreed in each instance between the subcommittee and the representative designated by the President.

I must state for the record that the statement as released by the Secretary does not conform with that section. The Chair understands that this statement, however, has been approved for release by the White House. Is this correct?

**STATEMENT OF HON. THOMAS S. GATES, SECRETARY OF DEFENSE;
ACCOMPANIED BY OLIVER GALE, SPECIAL ASSISTANT; BRIG.
GEN. GEORGE S. BROWN, MILITARY ASSISTANT TO THE SECRETARY;
BRIG. GEN. DON HITTLE, ASSISTANT TO THE SECRETARY
OF DEFENSE FOR LEGISLATIVE AFFAIRS**

Secretary GATES. That is correct, and not released by the Department of Defense.

Senator JACKSON. I understand. The Chair has been advised through the staff, by Mr. Pendleton, I believe, who has indicated that the White House has approved it for release.

Mr. PENDLETON. That is right.

Senator JACKSON. The Chair only makes this point for the record because we have adhered strictly to the guidelines, and the guidelines were requested by the President.

I would like to state further—and I am making no point of it, but just for the record—that the Chair was not consulted, the committee was not consulted, in conformity with the guidelines with regard to the release. The Secretary I am sure is not aware of that. The Chair wanted to state that for the record. The statement having been released is now in the public domain and the Chair will state further, however, in order to strictly adhere to the President's wishes that we will desist from any questioning about the NSC in public session.

One recurring theme of our hearings has been the need to attract to the high policy positions in Government experienced executives who will stay for substantial periods and gain a broad base of experience. Our witness today is a man who has met this test. The subcommittee welcomes today the Secretary of Defense, Mr. Thomas Gates.

Mr. Gates, in addition to his distinguished business and civic career in Philadelphia, has had a rich and varied experience in serving this country in the national security field. As a commander in the U.S. Naval Reserve he served overseas in World War II. He has served continuously in the Department of Defense since 1953, as Under Secretary of the Navy, as Secretary of the Navy, and as Deputy Secretary of Defense, and now as Secretary of Defense.

Mr. Secretary, we welcome you today and thank you for being with us to offer your counsel on these difficult problems before us. You may now proceed in your own way.

Secretary GATES. Mr. Chairman and members of the committee: In common with a great many others, I have followed with interest the hearings you have been conducting to explore the organizational machinery now employed within the Government to reach policy decisions and to plan for the future. An objective review of policy-making machinery is most useful and constructive, and I am pleased to have an opportunity to discuss the subject with you this morning.

In the letter inviting me to appear before this committee, Mr. Chairman, you directed my attention specifically at two questions:

The first question is: "Is the Department of Defense now properly organized to discharge its responsibilities adequately today and in the years lying ahead? If not, what changes are desired?"

In my judgment, the Department of Defense has at present a sound basis of organization within which it can discharge its responsibilities. An organization as large and complex as the Defense Department is always subject to administrative improvement. In the future the emergence of new problems, new concepts causing a shifting of emphasis in procurement and research, and the ideas contributed by successive administrators all could indicate changes in both structures and operation desirable. Since weapons technology and military strategy are undergoing a continuous and increasingly rapid evolution, there probably can never be an ideal or permanent solution. A primary need, therefore, will always be flexibility, to be used as necessary to meet changing requirements.

Certain major changes were made with the adoption of the Reorganization Act of 1958. It is too soon to completely evaluate these, or to determine whether others are needed. One of them, the creation of the position of Director of Defense Research and Engineering, has already proved to be of great benefit and had made a major imprint on our operations. The centralizing of authority in one office, empowered to make certain that maximum use is being made of our resources for research in all military services—people, facilities, and dollars—was a forward step, of significant importance.

The streamlining of the line of command from the Commander in Chief to the unified and specified commands, eliminating the extra step which formerly involved the military departments as executive agents, has proved highly satisfactory, and could be of critical importance in a time of emergency. Other improvements contained in the 1958 act have been beneficial.

I would suggest no further statutory changes until we have more thoroughly digested this 1958 reorganization and learned, by living with it, of any further changes in the law which might be indicated.

Meanwhile administrative measures to improve our operations can be taken within the framework of the 1958 reorganization bill. I trust it is in order to note certain recent actions of this nature.

Much attention has been focused on the workings of the Joint Chiefs of Staff. Some people have expressed concern because on some important matters the Chiefs do not reach unanimous agreement, and thus—it is suggested—do not give the Secretary of Defense clear, firm, unanimous recommendations. Various solutions have been offered

by those experienced and those inexperienced in the ways of the military. We are dealing with matters of judgment. We are considering subjects of great complexity. Senior military men of integrity do not compromise their views when they think our national security is at stake. They will have differences of opinion, and it is both natural and helpful to have them.

A procedure was instituted whereby the Secretary of Defense and the Deputy Secretary of Defense sit with the Joint Chiefs weekly, usually on Monday afternoon, and more frequently if desirable, to discuss major issues. This has produced several important results:

1. We are exposed to the various views as they develop;
2. We have an opportunity to make certain by questioning that there is a basis for evaluating these different views;
3. A better basis is created for a sound decision between two or more possible courses of action;
4. The time required for making decisions is shortened.

To illustrate this procedure, I can give you this summary of results. There have been, since January 21, six specific issues on which decisions had to be made. These are in addition to a number of other matters for discussion. These issues involved command arrangements, military planning and doctrine, and matters pertaining to the military assistance program. Five of these six decisions were made before the meeting ended, and the other was made within a week. There are others pending of considerable importance, but this is the kind of improvement that can be made through administrative changes in internal procedure.

Another major change we have recently made is the establishment of the Defense Communications Agency. This centralizes control of all our long-haul communications under a single officer, who reports through the Joint Chiefs of Staff to the Secretary of Defense. This should result in improved efficiency of our communications. It is an organizational concept which we shall watch with interest.

The second question specifically asked in your letter, Mr. Chairman, was this: "How can the Secretary of Defense best contribute to making the National Security Council an effective advisory mechanism for the President?"

Mr. Chairman, I should like to emphasize that, in my judgment, the National Security Council is functioning effectively and efficiently as an advisory mechanism to President Eisenhower. It has functioned in that manner through all the time I have been exposed to its operations. Since the National Security Council is an advisory group, I am sure each President will use it according to his own way of doing business. I can assure this committee President Eisenhower participates actively in all Council meetings, the pros and cons of any issue are thoroughly and ably debated at the meetings, and the President himself makes the decisions. All this, in my judgment, is exactly as it should be.

Recently, I have read some public comment suggesting that the Council may be too large, suggesting that the meetings are conducted in a so-called mass atmosphere, suggesting that too much of the essential debate may be taking place at lower staff levels, suggesting that top-level discussions become smothered in papers, and suggesting that the Council is somehow insulating the President from so-called hard

facts and hard decisions. Frankly, I am at a loss to know the basis for such observations, because as far as I am concerned—and I am a member of the National Security Council—not one of these suggested criticisms can properly be applied to the current practices of the National Security Council. The size and character of the meetings vary with the agenda. For example, it has been the practice to have experts present when they can be helpful to a discussion in their particular fields. Vitally interested agencies may be represented when they should be informed in detail because their responsibilities are heavily involved. I cannot tell this committee what habits and practices may have prevailed at other times or will prevail in the future; but I do know of my own knowledge that these faults have not existed during my activity with the Council under President Eisenhower.

In my opinion, one can never fully separate the statutory composition of any agency from the personalities of the individuals involved. This applies to the National Security Council, and it applies also to the daily interrelations of Government officials at all levels in the departments involved. All members of the Security Council, along with the responsible officers and employees in their departments, function smoothly together as a team. To illustrate this, I have known Secretary of State Herter and Under Secretary Dillon for years. I enjoy working with them. The members of the Office of International Security Affairs, that part of the Defense Department most concerned with military matters involving foreign policy, are working closely and smoothly with the Department of State. In an average day there will be several hundred separate contacts between individuals in the two organizations—by meeting, phone call, or exchange of correspondence. Similar contacts are made daily between the State Department and the military services and the Joint Chiefs of Staff.

There is, I think, a common recognition on both sides of the Potomac that most foreign policy issues have major defense connotations, and conversely that even routine military activity may have major foreign policy implications. In addition to the lessons of experience, professional training programs at the National War College, service war colleges, and the Military Assistance Institute are stressing the relationships between political, economic, and military factors in our security policies. State Department personnel are attending military schools.

Thus, at the highest political levels, at Washington staff levels and at the country team level, planning and implementation of national security policies by Defense personnel reflect increasing integration of political, economic, and military considerations. We have long realized that the defense program cannot be prepared in isolation.

Working relationships between the State and Defense Departments are excellent, and I am told they have never been better.

Mr. Chairman and members of the committee, I know the subject of your inquiry is a broad one. Rather than try to anticipate how best I can contribute, or to cover matters which I know you reserve for executive sessions, I have limited this statement to these few brief comments to provide maximum time for any questions you may wish to address to me.

Thank you.

Senator JACKSON. Thank you, Mr. Secretary. We appreciate very much your coming up this morning to talk on this most important subject. Naturally some of the vital questions will have to be left to the executive session.

As I indicated in my opening statement, I think you have set a fine example for the kind of person that we need in the Department of Defense, both from the standpoint of know-how and a willingness to stay on the job. We all know there has been a very substantial turnover in the top positions in the Department of Defense. It is a problem that has applied to all administrations, Mr. Secretary. Having been down there now going on the eighth year, I wonder if you have some thoughts or comments on things that could be done on the part of Congress or otherwise to improve matters. I trust you understand the spirit in which I put the question.

The committee, for example, has had a lot of testimony on the problem of conflict of interest. I personally feel that a lot of the statutes are archaic. They actually violate the public interest in the sense that the most important problem insofar as the public interest is concerned is the survival of this country, and if we do anything to impede the bringing to Washington of men of talent when we need them, I do believe that we are not rendering a public service.

I will appreciate anything you may have to say on this important problem.

Secretary GATES. Mr. Chairman, I am sure I will forget some of the things I might say in regard to a rather complicated subject. I believe as we mature more as a country, and realize our foreign policy is one of great responsibility in world leadership, perhaps the dignity of Government service will be better understood and a more favorable climate will be created. I have always deplored the fact that there was not more dignity accorded the military uniform, and I think the same thing applies to others, like Members of Congress, who work hard in the public service, and people in statutory appointments. I think holders of these positions have been compared to people who earn more money and gain more recognition through our free enterprise business system. I think people are really unaware of how long hours the Congress works in committees, how long hours those of us in statutory appointed jobs work, how devoted the people in uniform are and what long hours they work.

Until we can create a climate that better understands the dignity of these responsibilities and positions, which will only come with education and understanding, I think that we have to expect difficulties.

On the conflict-of-interest laws, I think they are confusing. I think they are subject to varying interpretations at varying times. I think it would be very helpful to have them clarified. It seems to me that a man who owns a few shares of some company's stock should be permitted to keep those shares by filing his holdings with the Senate at the time of his approval, and perhaps filing any changes with the Senate on an annual basis. I don't think a man should be appointed to a statutory job in the Department of Defense who controls a defense industry. But I think when he owns a few fractions of a percentage of shares that it is rather unreasonable to exclude him from a job or force him to sell some shares that he may have inherited from his grandfather.

Senator JACKSON. Mr. Greenwalt, who testified before the committee, and who is president of Du Pont, made this statement:

I do not think you can legislate probity under any circumstances. A man is honest or dishonest. If he is going to be dishonest, the mere fact that you make him sell his stock and cancel out his pension rights will not stop him.

Would you agree with that?

Secretary GATES. I would agree with that, Mr. Chairman.

Senator JACKSON. The Chair agrees with the statement, too. I don't think you can legislate probity. If a man is dishonest, the mere fact that you make him do a certain act is not going to change him.

Secretary GATES. There may be other things that would be involved with certain good people that you would want to have come into Government. I am sure more pay would be useful.

Senator JACKSON. Do you think the salaries in the higher levels might well be decisive in the case of certain people?

Secretary GATES. I am sure they would be in the case of certain people. There are people here presently who are making a sacrifice not only in relation to what they had been earning in business, but also in terms of their ability to live here under the circumstances that are required for their work.

Senator JACKSON. Do you feel that this is an area that should be looked into very thoroughly?

Secretary GATES. I do, Mr. Chairman.

Senator JACKSON. Would you not say that the problem we face today is a long-range one vis-a-vis our potential enemies, and that the need to get good people is almost as important as if we were in a hot war? I mean good people within the Department of Defense and in the broad area of national security.

Secretary GATES. I feel very strongly that way; I agree with you.

Senator JACKSON. I personally feel that we will never have the opportunity to bring in outstanding civilians in an all-out war because it will be too late. Wouldn't you say that this is certainly a possibility?

Secretary GATES. I don't think there is going to be any time to recruit anybody in a general war, Mr. Chairman.

Senator JACKSON. The need to get good people into national security posts in Government, then, is as urgent now as it has been in the past in the gravest conflicts that we have been in?

Secretary GATES. I live with a sense of urgency in the Department of Defense, so I share this point of view.

Senator JACKSON. I am happy to hear you say that. I have a number of other questions in this area, but I should like now to turn to Senator Stennis of the Armed Services Committee who has devoted many years to the specific problem of proper organization in the Department of Defense, and in the broad area of national security. Senator Stennis has an appointment at the Pentagon, so we will turn to him at this time.

Senator STENNIS. Mr. Chairman, I thank you greatly. I really did not expect to be called on. I have learned in my experience that whenever Secretary Gates is testifying, if you follow him around you will learn something and get some clear-cut opinions. I want to com-

mend him for the way he has moved in and kept in touch with the problems of the Joint Chiefs of Staff, and his ready and quick decisions when he is called on. You enumerate in your prepared statement, Mr. Secretary, some of the things that you have done in this area, being exposed to views as they develop, and so forth. You say that five of the six decisions that you had to make were made before the meeting ended and the other within a week.

Mr. Chairman, as you know, that is outstanding and it is highly commendable, in my opinion. I wish to publicly commend the Secretary for a very fine job that he has done along this line. I think it reflects, too, the training, if I may use that word, or background of experience that you already had when you came to this office.

Senator JACKSON. The Chair would like to associate himself particularly with the latter remark. I think that the ability to do what the Secretary has been able to do in connection with these matters within the Joint Chiefs, Senator Stennis, can only come in the last analysis from one who has had previous experience over a period of years within the Department of Defense. You can't deal with professional soldiers and make decisions unless you have had that experience. The witness need not answer that.

Senator STENNIS. I think, Mr. Secretary, being brief here, your mention here of the work between the Secretary of State, the Department of State, and the Department of Defense, its high importance in your estimation, is the gravest problem before us in the critical position that our Government occupies in world affairs. I don't see, Mr. Chairman and Mr. Secretary, how we can begin to solve it unless we put in a system that will not shift all this personnel and cause a new team, so to speak, to come in on change of administrations. When I say "change of administrations," I am referring not only to change from Republicans to Democrats, or vice versa, but any change, if it is the Republican administration to Republican, or Democratic to Democratic. We must have, I think, a great body of men in the Department of Defense and Department of State who are trained over long years and have experience, as we have, some staff members here on the Hill, despite change of administrations. Would you elaborate your ideas on the need of building up such a corps or group of people in the civilian side of the military department? Continuity is the key word.

Secretary GATES. Senator, certainly continuity would be most helpful. If with change of administration you could not achieve continuity, there certainly ought to be in my judgment an orderly and somewhat reasonable type of transition over a period of months so that people could come in and be briefed and informed as they replace other people. I agree that in these days of constant change the value of exposure to the past decisions is very great, and it is hard to reproduce quickly. So if you could preserve continuity in statutory appointees, that would be fine. If you could not, then I think you certainly should have an orderly transition. Insofar as the people below the statutory appointees are concerned, we are both trying to develop career people who will continue on and carry on regardless of political changes.

Senator STENNIS. I speak of it in terms of need and definite policy to be written into the law and recognized by the Congress and special categories given to these people of talent that could be accumulated

there over the years. You are not going to be able to walk down Pennsylvania Avenue and pick them up, I know. You accumulate them over the years. I think we are burning daylight by not getting into a better system.

May I mention one other thing here? You have your very fine military advisers, but I am increasingly convinced that it is just frightful to have policy decisions, even though the men are able and highly patriotic, made by military personnel that are still responsible to one particular service for their promotions and for their future. I think you could make a great contribution if you could give us some thought—if not here, some time soon—on trying to build up a group of talented men, capable of advising on military policy. I mean military men, that is, that have already been separated from their respective services. I say that with great deference to all services. I think it is one of the faults of our system. They do a mighty good job under the circumstances.

Secretary GATES. This again is a complicated subject, Senator, as no one knows better than yourself. You can make a case for separation from service at the top level. Then you change the concept of the Joint Chiefs of Staff system rather importantly and perhaps decisively. There is something to be said for having the Joint Chiefs of Staff also carry out the operational responsibilities in which they determine policy. I believe that as they are now doing, spending most of their time on JCS work and turning over their daily responsibility for operating their services to their deputies, we are getting good results from the present system in the policy level. Most of the problems that I think worry you and also worry me are not at that level. They are at lower levels in the services. As far as I am concerned, I would continue to support the Joint Chiefs of Staff system, which was the system employed by Mr. Churchill and Mr. Franklin Roosevelt in World War II. I would not undermine it or change it, unless I was awfully sure that another type of system would really be an improvement. I am not convinced that it would be.

Senator STENNIS. I was thinking more in terms of a military staff or a staff of militarily trained men, immediately adjacent to the Secretary of Defense and his advisory council.

Secretary GATES. This is what the Joint Chiefs of Staff and the Joint Staff are, really. A separate type of staff has been reviewed on many occasions.

Senator STENNIS. You used the word "undermine," the very opposite of my purpose. It is to strengthen them in those positions, but to move on further in this field of those personnel who are taking a part in these policy decisions that you are making. In other words, an officer serving in such a position should be more of a general military man with more of a general allegiance than is possible under the separate services all the way through.

Secretary GATES. I have found in my own experience—I have an officer sitting on my left hand here—that officers associated with our offices in the Department of Defense are absolutely leaning over backward to eliminate any service position. I have been very proud of my experience in this respect, because in the policy advisory positions of importance that they hold in our respective offices, I have yet to see one who has a service prejudice.

Senator STENNIS. I am sure they do their very best and do a fine job. I think that it still leaves a vacancy there. A man is indebted to the other group.

Senator JACKSON. Right at that point, I believe it was Mr. Lovett who suggested in the form of a question that ought to be explored that those officers who serve on the Defense staff in the higher ranks receive their promotions not from their service, but from the Department itself. I believe, Senator Stennis, you were here at that time.

Senator STENNIS. That is correct.

Senator JACKSON. I believe it was Mr. Lovett who made the comment and one or two other of our outstanding witnesses. They did not put it in a categorical form, but they suggested it ought to be explored seriously, at least.

Secretary GATES. I think the civilian officials in the Department of Defense are definitely instrumental in these people's promotions. They have to give personal reports on them. Certainly this is one of the most important tools that these officers have during their career.

Senator JACKSON. There is a danger of retribution. They can get promoted while in there, but when they move out, and having done something that might not please their particular service, they might have trouble. I think that was the idea underlying this point, Mr. Secretary.

Secretary GATES. I think it is hard for me to visualize, Mr. Chairman, that you would set up a sort of elite corps of officers within the Department of Defense that would be promoted differently and would not move back and forth in the stream of their military careers. It would be most awkward to administer that kind of a program. I know we have service problems. I live with a lot of them. But the individuals involved are not really the ones that have the most important responsibilities.

Senator STENNIS. I thank the Chair very much. I will not take any more time now.

Senator JACKSON. Senator Javits.

Senator JAVITS. Mr. Secretary, there is one statement in your testimony that I would like to ask you about. It relates to a common recognition on both sides of the Potomac that most foreign policy issues have major defense connotations and, conversely, that even routine military activity may have major foreign policy implications.

I would like to ask you in that regard whether you believe the three principal questions which have been projected to the American people, and hence the foundation for the very admirable work which Senator Jackson has led this committee in doing, may be found in these three questions. I will say them slowly. They are not very complicated.

Is the leadership adequate to the mounting problem of our own world peace leadership?

Second, is there adequate coordination at the top?

Third, are the people being adequately informed?

Would you say that those are the three main questions which have been projected to the American people by recent events?

Secretary GATES. Yes, I think they are. Maybe they are not the only three, but they are certainly three very important questions and perhaps the most important ones.

Senator JAVITS. One of the things that interests me the most about the work of our committee is, in view of your statement, and these three questions which are before the American people in this election year with so much force—the American people like the fact that it will pay off, whoever wins this debate—and I don't think I have to emphasize to you my interest in seeing that you win it, the thing that concerns me is, do you think, and can you say publicly—if not, we will get it in executive session—that there is some new approach which we need which will put into policymaking machinery this common recognition that most foreign policy issues have major defense connotations, and that even routine military activity may have major foreign policy implications?

For example, to give you a clue to what I am seeking to get some information on, Ambassador Kennan was here the other day. He says you need a new authority in the Secretary of State which will really make him the lieutenant, in terms of these two coordinated questions, of the President. So in a sense he would be the President's chief of staff for the top strategy which marries these two now closely inter-related questions.

The question I would like to put to you, and I am sorry to make it so long, is this: Do you think that our present machinery is adequate to take care of this new meshing of foreign policy and defense policy so very dramatically illustrated by the U-2 incident, and a dozen other things, as you stated in the very profound analysis in your prepared statement, or do you think we have to move in some other direction?

Secretary GATES. No, sir. I think the leadership is adequate, the coordination is adequate, and that people have been as well informed as they could be. I feel that different people will work differently with others. The Government is very large and complex. It cannot be run by creating, in my judgment, other superstructures or other superjobs. The Secretary of State has a great deal of authority. I have a great deal of authority, reconfirmed in 1958. I thought there was plenty of authority before that, but if there was any question about it, it certainly exists now. This is decentralized to some extent, but brought together by various mechanisms constantly. I have been one who believed that you must in the most modern sense decentralize and hold people responsible, and then coordinate. Someone said to me once, Americans never have any idea how to coordinate. The British seem to be great coordinators. I don't know whether this is true or not. But coordination in its true sense is a very difficult art for an American because he wants to run something. But I feel that the machinery and mechanisms and leadership exist. There will always be administrative procedures within it that can be improved and changed.

Senator JAVITS. You and the Secretary of State have a coordinated responsibility, is that correct, according to your statement?

Secretary GATES. Yes.

Senator JAVITS. You believe that?

Secretary GATES. Very sincerely.

Senator JAVITS. You do not believe that either one of you should be the chief man over the other?

Secretary GATES. I do not believe we should, no, sir.

Senator JAVITS. You believe you can work effectively this way?

Secretary GATES. I do.

Senator JAVITS. Do you believe you have worked effectively this way?

Secretary GATES. I do, to the best of my ability.

Senator JAVITS. You do not believe, therefore, that whatever problems we have suffered in the recent past have been attributable to the fact that the machinery was inadequate?

Secretary GATES. That is correct, Senator Javits.

Senator JAVITS. We will all stand up to the question as to whether the persons were adequate or inadequate. I am sure you feel that way.

Secretary GATES. Certainly.

Senator JAVITS. You are satisfied that the machinery itself was not inadequate?

Secretary GATES. That is correct.

Senator JAVITS. I have just one other point, Mr. Chairman, to keep within my 10 minutes. The Chair is very liberal, but if I may suggest, I think we should stick to the 10 minutes. At least on the first go-round, as we say.

I notice that you say also in your prepared statement:

Thus at the highest political levels, Washington staff levels and at the country team level, planning and implementation of national security policies by defense personnel reflect increasing integration of political, economic, and military considerations.

This brings back to my mind a long line of experience beginning when I first served on the Foreign Affairs Committee in the House back in 1947, about the idea that the Ambassador always ought to be the head of everything that goes on in every country. Otherwise it won't run right. This has been a concept agitated for years right up to today.

Could you tell us or give us your view upon that subject. Do you feel that the Ambassador ought to run everything as the chief man in every country, everybody and everything being responsible to him? What is your view upon that subject?

Secretary GATES. Senator Javits, I don't know that I am competent to answer the question. I have never been an ambassador. This is a State Department organizational matter. In so far as the Military-State Department relationships are concerned, the Ambassador is the head man in the country in terms of the military assistance program. He is head of the country team. We have unified commanders who have a political connotation to their responsibilities, and take it quite seriously on an area basis.

As far as defense relationships with the State Department's affairs in a country are concerned, the Ambassador is the head man. We give him attachés, or we give him the chief of the military assistance group who really in a sense works for him, although they have military lines of command to a unified commander for requirements.

I think we have recognized the importance of the Ambassador in our dealings with him.

Senator JAVITS. And that works well in terms of what you call the increasing integration of economic, political, and military considerations?

Secretary GATES. Yes.

Senator JAVITS. You have no suggestions for improving that machinery, either, that is, the machinery in the country?

Secretary GATES. The only suggestion would be in minor detail.

Senator JAVITS. Thank you very much, Mr. Chairman.

Thank you, Mr. Secretary.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. I think I should yield to the majority whip.

Senator JACKSON. Senator Mansfield, we would be delighted to have you proceed now, because I know you have another meeting.

Senator MANSFIELD. Thank you, Mr. Chairman and Senator Muskie.

Mr. Secretary, as usual I was much impressed with your testimony, and glad to note that you had emphasized two of the most important reforms which I hope are only beginnings, which you have instituted in the Department of Defense: One, the fact that if there is a lack of decision among the Joint Chiefs of Staff, that you will take the responsibility and make the decision. I understand what you state in your testimony is that on five occasions that decision was made at the time and on the sixth occasion it was made within a week, is that correct?

Secretary GATES. Yes, sir. Perhaps it would be wise to summarize, because there have been more meetings. There have been 27 meetings and involved in those meetings were six decisions. I would also like to say that I trust the committee does not think I am bragging. There is a lot of work to be done. Maybe these will prove to have been easier than the decisions that are ahead. I know I face some very difficult ones immediately ahead. What has been done should not be taken as an ideal or anything else. I think we have made a good start.

Senator MANSFIELD. Mr. Secretary, I think I can speak for the committee and the Congress when I express the hope that you will be able to do a lot more bragging along these lines, because I think these are steps in the right direction, and long overdue. The second reform that you have instituted is the centralization of the communications system emanating out of the Department of Defense. Is that correct?

Secretary GATES. That is correct, sir.

Senator MANSFIELD. It is my understanding that it will take from 6 to 9 months to bring about a successful conclusion of this reform.

Secretary GATES. That is right, Senator Mansfield. We have appointed this last week the man to head the agency.

Senator MANSFIELD. You mention, relative to certain changes in the Reorganization Act of 1958:

One of them, the creation of the position of Director of Defense Research and Engineering, has already proved to be of great benefit and has made a major imprint on our operations. The centralizing of authority in one office, empowered to make certain that maximum uses is being made of our resources for research in all military services—people, facilities, and dollars—was a forward step of significant importance.

Are you referring to the office which is now headed by Dr. York?

Secretary GATES. I am, sir.

Senator MANSFIELD. Which I think is another noteworthy advance, and which I think you are to be commended for. Incidentally, before I get to my next line of questioning, I would like to state to the chairman and members of this committee that I was very pleased with the testimony which I read in the papers on Saturday relative to

what Mr. Herter had to say about good will visits, summit meetings, and too many activities of the Secretary of State in foreign travel. Also, incidentally, the emphasis he placed on the authority and responsibility which should be given to our Ambassadors. I am in wholehearted accord with what he had to say.

Now, Mr. Secretary, how many Assistant Secretaries do you have in the Department of Defense?

Secretary GATES. We have, if you include the General Counsel as equivalent rank, eight, I think.

Senator MANSFIELD. How many do you have in the entire Department of Defense, including the Secretaries of the three services?

Secretary GATES. There are three Assistant Secretaries in each service and one Under Secretary.

Senator MANSFIELD. It would be nine and eight in the Department of Defense itself, your office.

Secretary GATES. Yes, sir.

Senator MANSFIELD. I was under the impression that you had about 33 Assistant Secretaries of Defense, or people who could be considered in that category.

Secretary GATES. In the Office of the Secretary of Defense there are 11 positions in this category: the Secretary, the Deputy Secretary, the Director of Defense Research and Engineering, and 8 assistant secretaries if we include the General Counsel. In each service department there are five: the Secretary, the Under Secretary, and three assistant secretaries. The total, therefore, would be 26.

Senator MANSFIELD. Are there a number of political appointees who are not Assistant Secretaries whom the Chiefs of Staff of the various services have to go through before they can establish contact with their particular secretary, or with you as the overall Secretary of Defense?

Secretary GATES. No. There is a standing rule that any Chief of Staff can come to me at any time individually, and they can certainly come any time collectively. As a matter of fact, in their capacity as military advisers to the President, they can go to the President directly. Certainly within a service they go directly to their service Secretary.

Senator MANSFIELD. The genesis for that question lies in an article by Hanson Baldwin 2 or 3 years ago which appeared in the New York Times to the effect that Gen. Maxwell Taylor had to go through 19 people before he could establish contact either with the Secretary of Army or the Secretary of Defense. Was it a true statement?

Secretary GATES. General Taylor, as Chief of Staff of the Army, might have signed a routine paper that would pass through innumerable coordinating agencies which would take a look at it, the number depending on its character. But General Taylor, as Chief of Staff of the Army, has not only the ability but the obligation, in my judgment, to report directly to the Secretary of the Army, and the Secretary of Defense, and the President, if he so desires, and if he thinks it is important. Certainly there is no reason that he can't.

Senator MANSFIELD. Mr. Chairman, I would like to ask that that particular article by Hanson Baldwin be given to the Secretary, and that his comments be asked for thereon.

Secretary GATES. I would be glad to do that, Mr. Chairman.³

Senator JACKSON. We won't need to give him a copy, I suppose. He probably has it or his able informational service within the Department of Defense will furnish it.

Senator MANSFIELD. They probably have a Hanson Baldwin file.

Secretary GATES. I think it is highly likely.

Senator MANSFIELD. Mr. Secretary, how much time do you spend in appearing before the committees?

Secretary GATES. So far up until this morning 43½ hours without considering the time of preparation. That is in actual testimony.

Senator JACKSON. That is this year?

Secretary GATES. This calendar year.

Senator MANSFIELD. Some of my other questions have been answered or will be answered. How can we get people to stay in the Department of Defense? There does seem to be a large turnover. Mr. Wilson lasted 4 years, Mr. McElroy 2 years. Now you are in office. But the saving factor in your position is that you had 7 years of undergraduate study, so to speak. On that basis you have certainly proved yourself, because of the reforms which you have instituted up to the present time. How can Congress—we have a responsibility—do something in addition to overhauling the conflict-of-interest law and other matters, to bring about a greater degree of continuity, a greater drawing to Washington of people who are well qualified and in that way help to bring about the establishment of some kind of a continuity, as Senator Stennis referred to.

Secretary GATES. I think I tried to answer this somewhat in my answers to the chairman. I don't know what Congress can specifically do, other than reviewing the conflict-of-interest laws, and reviewing the salary conditions. I am a great believer in congressional testimony. Perhaps more authority in certain committees and less requirements for appearances might be possible under Congress. I think the remarks I tried to make concerning a recognition of the dignity of public service or a public career are important in this respect. I think it is growing. I think there is growing recognition that people who serve in the Congress and serve in statutory appointee positions dealing with important questions, particularly defense and foreign policy, are beginning to earn a more important position in the way of life of the United States, which perhaps up until recent years has been more preoccupied with financial and business success as terms of recognition.

I don't know, Senator Mansfield, specifically what Congress could do. I don't think it would be wise to put mandatory terms of office on appointees. This might be another handicap in getting people. I think perhaps only time will cure the problem.

Speaking of time, the real difficulties about jobs like mine and the ones I have had is the fact that time to do the job and do the thinking—the reflective thinking—that should go with that kind of a job, is sometimes in a good deal of conflict with time required for the public part of the job, which is part of our system. When you pile a public responsibility, as I believe the Secretary of State testified,

³ Statement from the Department of Defense in response to the request of Senator Mansfield is shown on p. 756.

on top of a very difficult administrative responsibility, and I think a serious requirement for reflective type of consideration of problems, you do ask a good deal of any individual.

Senator MANSFIELD. Mr. Secretary, I had in mind that certain appointees of the administration came down here and said they would serve 1 year, one of your predecessors 2 years. I think that there is a real problem here because you can't learn your job in a year. You can't learn it in 2 years. These are important times. People should be expected to make sacrifices. Maybe we have been wrong in some of the conditions we have laid down. I would anticipate and hope that this committee would get from various branches within the executive part of our Government suggestions from that side as to what should be done rather than depending on the laws made by Congress, because we are subject to error, and we make mistakes, and they ought to be corrected, too.

Senator JACKSON. If the Senator will yield on that point, the President, in his address at Notre Dame on June 5, made this statement, referring to Government service in the critical areas especially: "Normally, a 4-year period in these policy posts would seem to be a minimum. Most leaders from private life who enter the public service do so at a substantial sacrifice in earning power during their productive years," and so on. I thought it was well to note that the President, in his address at Notre Dame, did come out very strongly.

While I agree with the Secretary that you cannot put a mandatory 4-year period, and I am sure the President will agree on that, I do think, Mr. Secretary, that there needs to be a greater urgency in this regard.

Some of us have been even considering the possibility of a Senate resolution expressing the hope that the next President would keep in mind that the Senate would look with disfavor on people who can only serve a year or 2 years, and so on.

Not that this is to be a final and positive thing, but I do think that the question Senator Mansfield has posed goes to the heart of our problem.

Secretary GATES. From the standpoint of the ability to do the work, I would agree with a 3 to 4 year requirement as being about correct.

I think you can only start to make a contribution after the first year.

Senator MANSFIELD. Mr. Secretary, in response to a question by Senator Javits, you said that in your opinion responsibility should be coequal between the Secretary of Defense and the Secretary of State. Is that correct?

Secretary GATES. In the sense of coordinating our respective responsibilities, yes, sir.

Senator MANSFIELD. It would appear to me that you have drawn a little sharper line of differentiation between the two because the Department of State is, in effect, charged with policymaking whereas the Department of Defense is charged with carrying out policy.

I think it might be well to consider the possibility of recognizing the seniority, if I may use that word, of the Secretary of State because of the fact that policy is paramount. He is charged with the responsibility for carrying it out, whereas the Defense Department is charged with the responsibility of carrying out and not making it.

Secretary GATES. I did not mean to imply in my answer to Senator Javits that I was questioning the seniority and the foreign policy-making responsibilities of the Secretary of State which, of course, I recognize.

We also are responsible for defense policy.

I meant in terms of our respective responsibilities and his most important one in foreign policymaking, that we coordinate these responsibilities without, as I believe Senator Javits asked me or inferred, a superposition being created to do both.

Senator MANSFIELD. Thank you, Mr. Chairman.

Senator JAVITS. Would the Senator yield at that point?

Senator JACKSON. Senator Javits.

Senator JAVITS. That is what I had in mind and I did understand the Secretary's answer not to imply that there would be any takeover of authority by either one.

The present machinery by which each had paramountcy in his own field with the President as the final voice and the deciding and coordinating figure is what you consider to be a more satisfactory arrangement, than giving either the Secretary of State or the Secretary of Defense an additional authority over the responsibility of the other, whichever one that might be?

Secretary GATES. Yes, that is the way I understood the question. That is why I answered it affirmatively.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Thank you, Mr. Chairman.

I must say, Mr. Secretary, that one of the finest decisions of a continuing nature that you have ever made is the decision to spend as much time each summer on the Maine coast as possible.

Secretary GATES. My recent years have interfered with that, Senator.

Senator MUSKIE. I was interested in a comment that you made in the course of your reply to one of Senator Mansfield's questions, when you pointed out that one of the problems for people in your position is that of finding thinking time. Yet you have indicated in your paper, and in your responses to Senator Javits, that you are reasonably well satisfied with the organization both of the Department of Defense and of the National Security Council.

It seems to me that leadership in the security field—and perhaps you can expand the concept—has four or five very important functions.

I would like to review those with you to see if you agree. I suspect that you probably will.

First of all, it has the function of anticipating the shape of the future in terms of probable or possible events and developments.

Would you agree with this?

Secretary GATES. Yes, I do.

Senator MUSKIE. Secondly, it has the function of comprehension. It must be able to comprehend the meaning of the future which is anticipated and its relationship to the present, and the steps which must be taken to permit orderly transition from the present to the future.

Would you agree with that?

Secretary GATES. I agree this should be an objective. It will, of course, be a matter of difficult judgment to comprehend the relationship.

Senator MUSKIE. Yes. But it is an objective that ought to be undertaken?

Secretary GATES. Yes.

Senator MUSKIE. Thirdly, it seems to me, another function of leadership is that of permitting or generating creativeness; that is, the ideas technologically and policywise which would enable us to meet this future.

Secretary GATES. Yes.

Senator MUSKIE. Fourthly, a function of leadership is decision as to these ideas. We must make selections as between them and assign priorities to them. We must assume the burden of deciding which alternatives to accept.

Then, finally, we have the function of implementing the decisions.

Would you agree that these five functions of leadership are reasonably realistic ones?

Secretary GATES. Yes, I would, Senator.

Senator MUSKIE. Ideally, of course, these functions could best be met if they could be combined in one man. Unfortunately, with the limitations of human beings and because of the tremendous size of government, this is not possible today.

It seems to me that, in undertaking to implement these five functions of leadership, we tend to overorganization rather than underorganization, and that the effect of our overall position is to further limit the thinking time which our policymakers have.

Would this be an accurate observation from your own experience?

Secretary GATES. I am not sure that I could, without further reflection, really answer that question. When you look at the charts and the people involved, you certainly get a feeling of overorganization. On the other hand, many of the committees and organizations that appear on those charts meet rarely and make a contribution of either an ad hoc or advisory character toward the five points that you have listed.

Comprehension of the relationship of the present with the future involves the most serious kind of calculated risks and judgments.

The business of being creative and imaginative involves risks and judgments.

Decision often requires technical help these days as well as military judgment—technical review and help. In recent years in the Department of Defense we have tried to reduce committees and reduce overorganization: For example, the personnel of the Office of Secretary of Defense has gone down from 2,500 to 1,700 people since 1952, excluding the Joint Chiefs of Staff and the Joint Staff. Some days I think we are overorganized and some days I do not think we are. I do not think we are, basically, overorganized at the important levels. I think it is probably difficult to get the flow of work done without the organization that exists.

Senator JACKSON. Right at that point, Senator Muskie has the listing, but I think there are some 900 committees in the Department of Defense in the unclassified area.

It seems to me that some improvement could be made.

I again hasten to add that this is a problem that has plagued all administrations. Surely it seems to me that some efficiency could come about with the elimination of some of these committees.

I think a committee is a useful thing when you can get decisions.

Secretary GATES. In May 1958, there were 293 joint Department of Defense committees. We have reduced that number down to about 100 now from 293 since December 1958. We have also reduced inter-agency committees, dissolving something like 134 of them.

We have, however, as you state, Mr. Chairman, a lot of committees. This, in itself, is somewhat misleading because these committees may meet frequently or they may meet on call. When you deal with so very, very many people in such a vast establishment, it is a little hard to visualize how you would do business very differently.

I agree we should make every effort to streamline the show.

Senator JACKSON. This is a part of the system. It is not a partisan question, I hope you understand.

Secretary GATES. I do, sir.

Senator JACKSON. The thing that disturbs me is that committees get appointed and then it is hard to abolish them.

But there are committees that really make decisions. Dr. York presides as chairman of a couple of committees where decisions are made. We have had testimony from him. But I have talked with many departmental people who have very strong feelings on this committee business. They feel a lot of time can be wasted in some of these committees where they gather, talk, discuss matters, and then go away without a decision.

There is another aspect of it. When up against a real tough problem, it is human nature to appoint a committee. This happens in the local chamber of commerce in every community in America. It is part of our democratic system. But it can be abused. I think sometimes it is a device to escape making the real decision.

Senator MUSKIE. I do not want to emphasize this but there are amusing things in the work of these committees and the work of government. I was rather amused by these titles of committees in the Department of Defense. There is the Department of Defense Life Insurance Board, the Joint Master Menu Board, and the Human Factors Engineering Committee. Is this next one serious? The Interdepartmental Screw Thread Committee.

Senator JACKSON. It is all on the list.

Secretary GATES. The menu board probably establishes the menus for the whole Pentagon, which is 30,000 people, and maybe does something about the menus for the services.

Senator JACKSON. I assume it is for the services.

Secretary GATES. Perhaps the whole world feeding problem. I am sure we can find some foolish names for committees and probably some foolish committees.

Senator MUSKIE. And some foolish ideas.

Secretary GATES. That is right.

Senator MUSKIE. I do not want to overemphasize the point at all.

Secretary GATES. Basically, I would like to make the point that I think the system, outside of a few silly things and perhaps unsound things, the method is not as bad as it would appear from the number of committees. The situation is not as bad as it would look.

Senator MUSKIE. I would like to make just one more point, Mr. Secretary. I know that we are reaching the point in our discussion where we can best illustrate what we are talking about with examples and we cannot continue that in open session. I do not want to prolong the open session.

There is a point, I think, which is made by Mr. W. W. Rostow in the Harvard Alumni Bulletin of May 25, 1957, which I think is worthy of comment.

If you want to follow this in the committee print, "Selected Materials," it might be easier for you to do it, because I want to read a paragraph or two.

Will you turn to page 91 in this material?

We now have in Washington two institutions designed to assess the overall position of the Nation in the world and prescribe unified policies to guarantee our survival: The Joint Chiefs of Staff and the National Security Council. * * * At first glance it would appear that we have accepted our permanent burden as a world power; staffed Washington with the best products of our graduate schools each in a specialized section fitting his doctoral working papers; and crowned the structure with unifying institutions to formulate neatly and cleanly the choices open to the Commander in Chief.

But it doesn't work.

And these are the reasons he assigns for this:

And the reason is this: Successful policymaking in a world where weapons systems are outdated in (say) 4 years, a world caught up in revolutionary change, depends on a series of major innovations; that is, on major new ideas quite discontinuous with past experience.

Now go down to about the middle of page 92.

The JCS and the NSC are committees of operators, bureaucratic departmental chieftains, each freighted with large vested interests to protect, each biased heavily toward the status quo.

I would like your comment on that, Mr. Secretary. I know from what you have already said that you would not subscribe to that.

I wondered if, in your experience, you might be able to comment on impressions Mr. Rostow might have gained that would, to him, give validity to this observation.

Secretary GATES. I do not know the gentleman. I do not know what his association, if any, was with the Department of Defense.

We certainly do not believe that we are static in our weapons system, changes in weapon models, and so forth, as indicated on the first part of page 92.

Senator MUSKIE. May I interrupt at this point?

I am asking my question not in the context of this administration or any particular administration.

Secretary GATES. No, I understand. I am not answering it in that context.

The changes that come in weapons systems have been, I think, pretty imaginatively adopted, from my own experience. The Polaris weapon system into which we put \$3.7 billion up to this session of Congress, was just a dream 5 years ago. So was the intercontinental ballistic missile system as far as really getting ahead with the business was concerned.

I think we have been bold and imaginative in not sticking to the status quo and in constantly changing our military systems. As a

matter of fact, we have changed the defense program somewhat right within this particular Congress, in April.

I have testified before many committees that we can not be static and must have a continuous review because as we get technical information from some of the systems we know we want, we should buy them as quickly as we can get them.

Sometimes we feel it is just prudent to wait for a little more proof.

I disagree that we are bound by any tradition of sticking to old-fangled systems, although sometimes we perhaps could change more quickly than we have.

As far as the JCS being prisoners of a bureaucratic system, weighted with large vested interests to protect, I do not think that needs any comment.

I do not think they are the product of a large vested interest. They are the product of a major responsibility, the military security of the United States, if that is a vested interest.

Senator MUSKIE. Forgetting the words that Mr. Rostow uses, would you say that there is a tendency on the part of large bureaucratic organizations—not using the word “bureaucratic” in a critical sense but simply in a descriptive sense—to move along and to continue moving along in traditional grooves and along traditional routes? I mean the sheer weight of organization and governmental machinery tends to move in this direction, does it not?

Secretary GATES. There are things that would give some substance to that statement. For example, the services are extremely loathe to give up any property or give up any installations. Why are they reluctant? Because to replace those installations they have to go on a line item basis before their own priority reviewing boards and the Congress for a new item.

I think there is a bureaucratic tendency to hang on to things that could be disposed of.

I am sure we could find some other illustrations to indicate that a complicated set of circumstances probably does produce some bureaucracy in this democratic government.

Senator MUSKIE. This exists in both Democratic and Republican administrations.

Secretary GATES. I am sure, and probably in Federal, local and State governments.

One of the reasons we have added two secretaries in the services, for example, was to try to get into these things. We are trying to get better surplus disposal, better accounting, better financial management, trying to get better procurement practices, trying to get away from the old way of doing things, bringing in modern analysis and review officers and ways to improve management.

While Government will always leave something to be desired in this respect, I have been here for some time and I am sure these things show some improvement as we go along.

Senator MUSKIE. I wanted to call to the Secretary's attention one final paragraph in Mr. Rostow's article, and that is in the middle of page 92:

High level policy tends to emerge in one of two forms: Either as general statements so broad that operators can go on doing what they are doing, interpreting policy statements as they will; or as tough, practical compromises,

allocating money or other scarce resources, in which the pattern of policy is much less important to the outcome than the bargaining weight of the negotiators. First class ideas cannot emerge from a committee of hard-pressed bureaucrats anymore than a first class book can be written by a committee of professors.

We must say this fellow is articulate. Whether he is accurate I will leave for your comment.

Secretary GATES. I agree he is articulate.

Senator MUSKIE, this is something one has to think about. He is talking really of the whole philosophy of doing business here. Certainly sometimes there are compromises that are tough and practical and certainly sometimes there are statements that are too broad. We try and battle out policy statements so that they are definitive. But when you cover a very complex and comprehensive field you sometimes have to leave them broad.

I would say this statement is neither true nor false. It perhaps carries a connotation that is a little more critical than I would be, and I would not agree that some of the things exist. First class ideas cannot emerge "from a committee of hard-pressed bureaucrats," for example, any more than a first class book could be written by a committee of professors.

I think there have been some first class ideas produced by coordination at top level.

I do not know of any committee that has written any books.

I think this is a generalized statement that would be better if it had made a more specific analysis.

Senator MUSKIE. Mr. Rostow has made his case so badly, in your judgment, that I hesitate to call your attention to his conclusion but I will nevertheless. At the top of page 93, he says:

What shall we conclude? Instinctively—as good Americans—we think first of institutional change; and indeed, the NSC would be vastly improved if it had an independent staff of first rate men, freed of ties to particular bureaucracies, paid to think in terms of the totality of our policy problem, empowered to lay proposals on the table.

Secretary GATES. This is an ivory tower staff created out of first rate men freed, apparently, of all experience and association with the problems.

I do not believe it should be organized that way.

Senator MUSKIE. Thank you for your comments, Mr. Secretary. They have been to the point.

Thank you, Mr. Chairman.

Senator JACKSON. Mr. Secretary, if we can get back to people and the selection of people, I wonder what your reaction would be to this. Suppose that both political parties agreed in their platforms or otherwise that, first, in the selection of people in the national security field partisan politics would not be considered, at least not as the fundamental criterion in the selection of people for the job and, second, that once they have been selected they would stay out of partisan political activity.

I ask that question in the spirit that there has been some testimony on this matter before the committee and there has been evidence of this situation having occurred in the past.

I am not singling out any administration. I am merely asking it as a general question.

You recall Mr. Lovett raised this question.

Secretary GATES. I would be happy to say what I think, Mr. Chairman.

Over the years that I have been familiar with the problem—and by that I mean starting back before World War II and earlier—there have been many illustrations where people of opposition parties have held office in the Department of Defense—or in the service departments before the Department of Defense was created. There are people today in this position. I think this has been fine.

As far as I am concerned, any resolution or guidance that the Senate would give a new President to the effect that partisan politics should not be paramount or be decisive in terms of an appointee in the Department of Defense, I would be in accord with.

Senator JACKSON. I am pleased to hear you make that statement. I would hope that both political parties would, during the coming conventions, lay down some general policy rules on this, and, as far as I am concerned, this should not be construed as reflecting on any one administration, because, as a matter of history, it does not. These things have occurred in all administrations.

Secretary GATES. The other part of your question has always been difficult for me. I would prefer personally, and most of my associates would, to be disassociated from any political activity while holding office in the Department of Defense. As a matter of fact, I have made a few speeches to Republican audiences—one or two for money raising when I was in the Department of the Navy—but I believe direct political activity is unwise.

Senator JACKSON. It is not good politics sometimes.

Secretary GATES. Except for the fact—this is the balance that I quite do not know how to appraise—that the administration, whoever the administration may be, has to depend upon its statutory appointees to defend its programs, particularly when they are under attack.

Senator JACKSON. I agree, Mr. Secretary, that the administration, through its secretaries, should defend with all its vigor its position. My question was directed to the direct political activities.

Secretary GATES. In my judgment, we have too big a procurement program, too big a cross section of American industry, too big a responsibility to nonpartisan committees of the Congress—bipartisan and nonpartisan—to engage in direct political activity. I hope we do not.

Senator JACKSON. Mr. Secretary, I want to commend you for your statement. I think what you have said here today should be accepted frankly by both political parties. I think it would go a long way to getting the best people in the Department, and I think it would help with the public as a whole if we all agree that the long-term pull that we are faced with requires that we bring in the best possible people.

I want to commend you highly for what you have said here. It is certainly in accord with what Mr. Lovett had to say, and, in my judgment, Mr. Lovett has set an example that all Secretaries can well live up to.

I think you have performed a public service by your willingness to stay for what is now the eighth year in the Department of Defense.

I take it, insofar as authority given to you by the Congress is concerned, that you have ample authority to deal with problems of organ-

ization and reorganization within the Department of Defense. I mean you are satisfied with your statutory authority?

Secretary GATES. I am at the present; yes, sir.

Senator JACKSON. You have mentioned some of the things that you have been doing. Do you have any general ideas as to the trend, looking ahead a year or two, where the needs for further reorganization will occur?

If you can, look into a crystal ball for a moment.

Secretary GATES. I have certain preliminary thoughts that I would like to think about more before I get people upset by expressing them. They would largely be in the fields of management. I mean people who now work in the Pentagon. I would not want to upset people by preliminary ideas.

In the field of management and planning and policy, I think that we could or should continue to review our administrative procedures and try perhaps to perfect them. These would be the two areas that I would be interested in exploring to see whether we could perhaps make some further improvements.

Until we tried this administratively, I do not believe we would want to propose legislation pertaining thereto. If we did, it would involve a fundamental change in the statutory appointees.

Senator JACKSON. What you are saying is that you feel you should exhaust the remedies that Congress has already given you before coming in and asking for more?

Secretary GATES. Yes, but not rest on our laurels, so to speak, but continue to try to think how we can improve and perhaps make future recommendations for change.

Senator MUSKIE. Mr. Chairman, could I ask a question at this point?

Senator JACKSON. Certainly.

Senator MUSKIE. Do you envision today that it might be wise to consider eliminating the Joint Chiefs of Staff and substituting for them a single military man?

Secretary GATES. No; I do not visualize that, and I am not in favor of it.

Senator MUSKIE. You do not think of the Joint Chiefs of Staff as a transitional organization, but one which, as far as you can evaluate it today, is a final form of organization?

Secretary GATES. That is correct, Senator Muskie.

Senator JACKSON. Mr. Secretary, during the course of our hearings on the problem of science and technology, as it bears on national security, we noted that the Air Force and the Navy had Assistant Secretaries for Research and Development but the Army does not have such a comparable position.

Do you not feel that science and technology should be elevated to the same level within the Department of the Army?

Secretary GATES. I always sort of hesitate, Mr. Chairman, to talk too quickly about Army organization or Air Force organization which I do not know as well as I do the Navy organization. They have their setup in the Army divided through the technical services. I believe they presently have under review their whole research activities in order to strengthen that activity.

I believe they have had some committees and other people looking at it and the matter is now coming up to a point of decision.

I am hopeful that out of that it will be strengthened and further recognized.

I believe, as a matter of principle, without knowing whether they could work it better by another title or a different kind of arrangement, the research activities of all of the services require the importance of an Assistant Secretary's supervision.

Senator JACKSON. It certainly should be singled out and elevated because of the important bearing on national security.

Secretary GATES. Yes. We have a very fine working arrangement now with the office under Dr. York and the three men, including now Dr. Morse, who has the title of Director of Research in the Army. They are working as though they are partners in the business.

Senator JACKSON. With the same rank, so to speak?

Secretary GATES. Yes; it has not handicapped any cooperative efforts, as far as the Office of Secretary of Defense is concerned.

Senator JACKSON. While we are on research and development, you may recall Mr. Lovett mentioned that, in connection with the budgetary process, he felt that there should be an appropriation to cover a period of 3 to 4 years when you are dealing with new systems. I think that may be about the period of gestation of a given system being developed.

I wonder if you have any comments on that? This point has been raised by many people. When you are getting into a new weapons system, you can ill afford the ups and downs that occur. It occurs both ways. Sometimes when it is brought up on a year-to-year basis, the Bureau of the Budget will cut it, and then the Congress may cut it, not knowing the real consequences in connection with a given weapons system that is being developed.

I wondered what your judgment is on that matter from your own experience.

Secretary GATES. I cannot visualize under present circumstances how we can make decisions pertaining to modern weapons systems in competition, you might say, with similar weapons systems without at the time we make the decision seeing through the technical aspects of them, the date at which they may become operational, and the final obligations that are going to be incurred throughout the period. So that when we review those systems presently we look at those three factors over a period of time, and somewhat, you might say, disregard initially the annual budgetary problem.

If we are developing, for example, five strategic systems, first, do we need five; secondly, when do they come into being; thirdly, how much are they all going to cost in total, not just on an annual basis?

So, any flexibility that could be put into annual budgeting would be helpful as far as I am concerned, if this is possible within the Congress.

We do get, I believe, \$150 million, free exchangeability for an emergency fund in research, which is one of the two places the Congress gives us this flexibility. The other is in connection with the airborne alert, as the Senator well knows. It is helpful to have this flexibility.

There have been discussions about putting our budget on a functional basis and on a different format. This is extremely difficult to do because a lot of our systems do not fall into a functional area. It is sometimes easier to do with a single purpose system. It is almost impossible to do with a multipurpose system, like an aircraft carrier, for example. I can only say that flexibility in the budget is helpful, and accountability, I think, could be made to go with it in some way that might ease the rigidity of an annual review.

Senator JACKSON. I am glad to hear you say that because certainly large business firms realize the necessity of some kind of funding for at least 2 or 3 years ahead in order to save money in the end because planning at that stage becomes very, very important as to what obligations you can make.

I think the Department has done a fine job over the years of sending military officers to the National War College and the other war colleges. But it has been called to my attention that the effort in the civilian career area has not been what it might be.

I wonder if you have any comments on that and whether it is not possible to step up the training in connection with your top career people to see if they can participate at least in greater numbers in connection with our very fine system of war colleges that are available to the services. I realize that some civilians are attending now, but I wondered if you had any comments about increasing that effort.

Secretary GATES. No, Senator, I really have not thought about it very much. I would hope that we could continue to plan for better career people and train them and have thus the stability that comes with them in the Department.

If participation in some of the advanced schools and colleges that we have would be useful, I think we should consider it.

Senator JACKSON. Suppose you look into it. I do not want you to get committed here on something that you have not had a chance to look into. When you have time later, you can submit a statement on it. I think it might be helpful because we are very much interested in this facet of the problem, and any comments that you and your people could make would be helpful.

Secretary GATES. I would be glad to.⁴

Senator JACKSON. Secretary Herter, on Friday, suggested that it would be worthwhile to have a greater exchange of personnel between the Departments of State and Defense. He suggested:

They function as an integral part of the host agency contributing their own special knowledge and to return to their present agency at the end of the tour with a broadened perspective which is acquired through shoulder-to-shoulder work.

What are your general comments on that?

Secretary GATES. We agree completely. I have been discussing this with him. This is an objective we both have and hope to put into effect, at least in a preliminary pilot plant manner, to see how it will develop.

I think only good can come from it.

Senator MUSKIE. The previous witness prior to Secretary Herter, commenting on this suggestion in terms of the Department of Defense,

⁴ Statement from the Department of Defense in response to the request of Senator Jackson is shown on p. 757.

indicated that career people in the military side would tend to be cool toward this suggestion, feeling that it constituted an interruption in their careers and thus might affect their opportunities for promotion.

Secretary GATES. There would be some feeling in this respect. But the pattern of military career planning is changing. I would be opposed to putting a man in a 10-year position in the State Department. I think he ought to go in for his normal tour of duty and then go back to the stream of his service. I think on that basis there would be very few sensible arguments against the interchange. There might be some feeling about it because people like to stay in their own competitive world.

I think we could overcome those if it was done on a normal routine basis and a normal rotational basis. I do not really believe there would be much validity in any objection. I can see a great deal of good coming out of it, frankly. I think we should be careful not to create a special kind of military corps that becomes a State Department-Military Corps of some character or another, or an elite group of officers that would be sort of different. But I think we should put in the career promotional system of good officers the opportunity for some of them to become better informed on political-military matters.

Senator MUSKIE. I think that is a sound observation to make.

Senator JACKSON. It is certainly helpful to a good officer to have had the political experience in the Department of State in connection with his own military planning requirements. Is this not true?

Secretary Gates. I think so. We have many military officers in the International Security Affairs Office. This has not interfered with their career.

Senator JACKSON. Mr. Secretary, I want to commend you for your willingness to go along on Secretary Herter's suggestion. I know it is your suggestion, too. Certainly we all realize that the problem of national security cannot be isolated into military hardware alone. One has to know the kind of weapons systems that are needed in given areas and how well they can fit into a given international political situation should they be used in a given area of the world.

Secretary Herter also mentioned on Friday that he was willing to consider the possibility that a senior officer of the Department of State might be assigned to the Joint Chiefs of Staff in an advisory capacity, in a role comparable to that of a political adviser to a unified military commander. This is on a long-term basis in the unified commands, I understand, which do have that setup now.

Secretary GATES. Yes.

Senator JACKSON. Would you rather not answer it now?

Secretary GATES. No, I will be glad to try. I will answer it tentatively because I had not heard of it before he made this suggestion. As a matter of fact, we talked about it yesterday. That is the first time he and I talked about it.

My immediate reaction to it would be that it would be preferable to consider having a State Department officer of importance assigned to the office of the Secretary of Defense with my present relationships with the Joint Chiefs of Staff, rather than sitting in with the Joint Chiefs of Staff or advisory to me. I think maybe it would be useful and this I do want to think about. Maybe it would be helpful to

me and helpful to the Department of Defense-State relationships to have at the Deputy Secretary of Defense level the same kind of relationship that the State Department now has with the unified commanders.

Senator JACKSON. This would be a good starting point.

Secretary GATES. It seems that is more appropriate than doing it at the Joint Chiefs of Staff.

Senator JACKSON. You say at least this would be a good starting point right in your own office?

Secretary GATES. It is worth thinking about.

Senator JACKSON. What about a reciprocal arrangement, that is, one of your people over in the Secretary of State's office?

Secretary GATES. This is worth thinking about also if the Secretary of State feels any need for it.

Senator JACKSON. Mr. Pendleton?

Mr. PENDLETON. Mr. Secretary, earlier witnesses before this committee have raised some question as to the adequacy of the defense program of the United States at the present time. In view of the probable duration of the cold war, do you share that concern?

Secretary GATES. I have testified before a good many committees that I felt our defense program was developed in an atmosphere that did not anticipate any substantive agreements with the Soviet Union. I have said that it was adequate to meet the problems that we face ahead, but that we have to have it under continuous review. We have to be very flexible and imaginative when we get more information on which to proceed.

I think my record on this has been completely consistent in all the testimony I have given, both publicly and privately, in the Congress and in speeches. This is the way I feel about it.

Mr. PENDLETON. Are you aware as to whether our allies and the uncommitted nations of the world share your feeling on this point, as to the strength of our defenses?

Secretary GATES. If they did not, it would concern me because we must have belief in military strength if we are going to negotiate satisfactorily from the standpoint of foreign policy. If our allies had doubts about our military capabilities, that would concern me greatly. I have not heard any from them. I have not any reason to believe they have any doubts.

Mr. PENDLETON. Turning to the question of executive personnel in the Department of Defense, could you indicate anything of the problems of recruiting people into those positions, problems that you have encountered personally or that you are aware of from the efforts of your organization over the past years?

Secretary GATES. Yes. I think I could say with some certainty that it is difficult to recruit people of the quality that you would like to have in the responsibilities that become available. It is seldom the first gentleman that you would like to have that is the man that you suggested in persuading to come to Washington and undertake these responsibilities. It is the tenth. I think there is difficulty in recruiting the type of person that, in your judgment, you want for the position.

Mr. PENDLETON. Thank you, Mr. Chairman

Senator JACKSON. Mr. Secretary, one last question in the open session here.

It will be general and I am afraid it will take a long time to answer it but, if you have any immediate thoughts, we would welcome your counsel. I am referring to the budgetary process. I know this is discussed constantly. The onerous job of preparing a budget is well known to you: You have been wrestling with it now for 8 years. Each service has a comptroller, the Defense Department has a comptroller and guidelines are issued. I just wonder if you have any thoughts about improvements that could be made in this area. If not, can we have the benefit of your comments later?

Secretary GATES. It is a procedure that many persons work on for many months. You start with military requirements at a service level. You go through the service priority review under their comptroller and their senior military people within their own establishment. You go through various interested Assistant Secretaries of Defense, particularly in R and E now with authority in this field. You come up through the Defense comptroller into decisions that we all participate in. It is a long and almost a year-round process.

We have already started to work on the 1962 budget and we do not have the 1961 fiscal year budget yet approved by the Congress.

I believe it goes to the floor of the Senate this week.

So it is a laborious and difficult process. It has one collateral advantage, and that is you learn an awful lot about the programs and business when you go through one of these processes. People become very well informed.

Senator JACKSON. I am not always so sure that the Bureau of the Budget really sticks to their business. I respect them, but I think it is by nature that some people in the Bureau have a tendency to become experts, they think, in other areas. This results in a lot of difficulty.

Secretary GATES. Senator, the only improvement that I can think of we are making. Mr. McElroy, last year, brought the JCS into the budget discussions in a specific manner for the first time. I intend to do this, too.

The other one is that we are going to try and have an earlier and greater participation on the part of the Assistant Secretary, International Security Affairs, in the budget procedure, which will put the foreign policy implications into the budget earlier in the Pentagon planning than it has been heretofore.

Those are the two improvements that are recent and I think both very useful.

Senator JACKSON. How about in the funding process, which is almost as onerous as the initial process?

Secretary GATES. You mean the apportionment?

Senator JACKSON. Yes.

Secretary GATES. We have made a great deal of progress in that in the years I have been here. It used to be almost unbelievably difficult to get apportionment procedures through rapidly. I think now the apportionments come through reasonably promptly.

I remember in military construction we could not get apportionment until toward the end of the year and we could not get anything started. Now they come through as soon as the Congress acts, I think.

I think we have made progress on the apportionment end of the business.

Senator JACKSON. Thank you very much.

The Chair would like to announce that the record will be open in the event that Assistant Secretary Irwin, who is head of International Security Affairs, or the Chairman of the Joint Chiefs of Staff, General Twining, wish to make statements.

The committee will go into executive session, and we will a little recess.

The Chair wishes to announce that General Taylor will be here at 2 o'clock tomorrow in open session and later in executive.

(Whereupon at 12:05 p.m., the committee proceeded in executive session.)

(The following statements were submitted later for the record:)

DEPARTMENT OF DEFENSE STATEMENT IN RESPONSE TO A REQUEST FROM SENATOR MANSFIELD CONCERNING AN ARTICLE BY HANSON BALDWIN, NEW YORK TIMES, FEBRUARY 6, 1958

The article in question, which appeared in the February 6, 1958, issue of the New York Times was the fifth of a series evaluating U.S. military posture in relation to that of the Soviet Union. In this article, Mr. Baldwin attributed the following statement to Gen. Maxwell D. Taylor, then Army Chief of Staff:

"There are 19 civilian officials between the Army Chief of Staff and the Commander in Chief, who either command, control or influence his (the Chief of Staff's) conduct of the business of the Army."

This is a slight paraphrase of an extract from an address given by General Taylor at the 14th annual meeting of the National Security Industrial Association in New York on September 25, 1957. At that time General Taylor made this statement:

"After a little over 2 years as Chief of Staff, I must confess that I have found some illusions and disappointments in that position." * * *

* * * "Having reached that position by the dint of luck and circumstance, I am often impressed with how many things the incumbent cannot do, any of which he should do or would like to do. In the first place, I would remind you that he commands nobody in the entire Army, unless you count the aides and stenographers who sit immediately outside the office door. He issues all orders to the Army in the name of the Secretary of the Army. Although there are no soldiers above him in uniform, there are 19 civilian officers between him and the Commander in Chief who either command, control, or influence his conduct of the business of the Army."

One word makes it easy to misinterpret this statement: The word "between". Under the present organization, as well as the organization in 1957, there are only two civilians in the Department of Defense who stand "between" the Chiefs of Staff (CNO) of the military services and the Commander in Chief, these being their respective departmental Secretaries and the Secretary of Defense. On a matter which a service Chief might feel is of such importance that he must personally advise or consult the Commander in Chief, it is not credible that either the departmental Secretary or the Secretary of Defense would prohibit such contact.

It appears that General Taylor was referring to those key civilian officials, both in the military departments and in the Department of Defense, whose individual judgments might normally be sought in connection with a military department's day-to-day plans or programs, especially in the areas of comptroller, manpower, installations, R. & E. and logistics, and as specific authorities are delegated to certain Assistant Secretaries by the Secretary of Defense or the Secretary of the Army. These civilian officials would very properly exercise a "control and influence" in those matters over which they have been assigned authority. In addition, the Bureau of the Budget and the Secretary of State might also be considered as exercising a "control and influence" over pertinent plans or programs.

In order to approximate the figure of 19 civilians General Taylor made reference to, it would be necessary to include not only the Under Secretary of the Army and departmental Assistant Secretaries, but also the Deputy Secretary of Defense and the Assistant Secretaries at that level. It is difficult to visualize any single action by the Chief of Staff (CNO) of any Service which would require the concurrence of all these individuals. The distribution of these civilians with delegated authority from the Secretaries is largely horizontal across the organization, and not so arranged that successive concurrences of each are routinely required.

The following excerpt from a memorandum (December 29, 1959) from the Secretary of Defense to the Joint Chiefs of Staff, indicates the clear access which uniformed Chiefs of services enjoy in their relation to the Secretary of Defense:

"I would like to emphasize, however, that the above procedure [Secretary of Defense policy of meeting with JCS] should not be interpreted as precluding any member of the Joint Chiefs of Staff from bringing to my personal attention any matter affecting the Joint Chiefs of Staff or an individual service. I look upon such discussions as matters of the highest priority within the Department of Defense and will gladly make time available in my schedule for such meetings regardless of any other schedule I may have."

With respect to the nature of General Taylor's authority vis-a-vis that of the Secretary of the Army, the following extracts from title 10 seem pertinent:

"(b) The Secretary [of the Army] is responsible for and has the authority necessary to conduct all affairs of the Department of the Army, including—

"(1) functions necessary or appropriate for the training, operations, administration, logistical support and maintenance, welfare, preparedness and effectiveness of the Army, including research and development; and

"(2) such other activities as may be prescribed by the President or the Secretary of Defense as authorized by law."

Section 3012 also provides that—

"(c) The Secretary may assign such of his duties as he considers appropriate to the Assistant Secretaries of the Army * * *."

The Chief of Staff, on the other hand, "except as otherwise prescribed by law and subject to section 3012 (c) and (d) of this title, * * * performs his duties under the direction of the Secretary of the Army, and is directly responsible to the Secretary for the efficiency of the Army and its preparedness for military operations, and plans therefor."

"(d) The Chief of Staff shall—

"(1) preside over the Army Staff;

"(2) send the plans and recommendations of the Army Staff to the Secretary, and advise him with regard thereto;

"(3) after approval of the plans or recommendations of the Army Staff by the Secretary, act as the agent of the Secretary in carrying them into effect;

"(4) exercise supervision over such of the members and organization of the Army as the Secretary of the Army determines. Such supervision shall be exercised in a manner consistent with the full operational command vested in unified or specified combatant commanders pursuant to section 202(j) of the National Security Act of 1947 as amended;

"(5) * * *" (Section 3034, Title 10, USC.)

From the above it is apparent that General Taylor's statement as to "orders being issued in the name of the Secretary of the Army" was correct, as such a procedure is in accord with existing law and, in addition, this limitation has been continuous subsequent to passage of an act to increase the efficiency of the Army (General Staff Act) in 1903.

DEPARTMENT OF DEFENSE STATEMENT IN RESPONSE TO A REQUEST FROM SENATOR JACKSON CONCERNING ATTENDANCE AT THE NATIONAL WAR COLLEGE AND OTHER COLLEGES

We recognize that for career civilian personnel who are concerned with broad policy matters of government, there are certain benefits to be derived from the kind of training obtained at the senior joint war colleges: the National War College and the Industrial College of the Armed Forces.

In recognition of this, an increasing number of senior personnel from various governmental agencies, over the years, have been accepted for enrollment at

these colleges. For example, during the past academic year, out of a total of 278 students, there were 20 civilians from the State Department, 13 civilians from the Department of Defense, and 19 civilians from other governmental agencies. Ten years ago, out of a total of 255 students, there were 16 from the State Department, 1 from the Department of Defense, and 9 from other governmental agencies.

Since these colleges are now operating at absolute capacity, to increase significantly the number of career civilians who could be accommodated in these colleges, we would have two alternatives: we could increase the size or number of the establishments, or we could reduce the number of military officers and increase the number of civilians. We have looked at each of these possibilities and we find that each presents serious problems.

To increase the size or numbers of the establishments would require the diversion of funds from other high priority areas, and, perhaps equally important, the diversion of trained military personnel to augment the teaching staffs. A change in size of the present institutions would also have to be viewed from the standpoint of its effect on the highly individualized training permitted by the present size.

To increase the number of civilians without increasing the total size not only would mean a reduction in the number of military officers who would be receiving this important experience, but also would threaten to change the very nature of the colleges. They were established originally, and their curriculum designed, to fill an important military need. It was later decided that a moderate number of civilians could be accommodated without sacrifice of the original objectives; however, further dilution of military participation and further diversion from the original objectives, would probably result in the necessity for establishment of another institution with concomitant costs in order to meet the military need.

The type of broad training and policy thinking derived from attendance at the senior war colleges is needed to an ever-increasing degree among military officers today. We feel that anything which diminishes the full benefits of this training to our military organization would be harmful in the long run, even though it might produce advantages in other areas of government.

Another consideration which cannot be disregarded is that increased representation from the State Department could ultimately lead to a majority of their key civil service personnel having been graduated from institutions which are basically military. The question can be raised whether such a situation would be regarded favorably in this country.

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

MONDAY, JUNE 13, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 12:15 p.m., in room 3302, Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Brewster C. Denny, professional staff members; and Edmund E. Pendleton, Jr., minority counsel.

Also present: William Darden, staff, Senate Armed Services Committee; Robert Berry, administrative assistant to Senator Mundt; and Charles A. Haskins, senior staff member, National Security Council.

Department of Defense officials present: Hon. Thomas S. Gates, Secretary of Defense; Oliver Gale, Special Assistant to the Secretary of Defense; Brig. Gen. George S. Brown, Military Assistant to the Secretary of Defense; Brig. Gen. Don Hittle, Assistant to the Secretary of Defense for Legislative Affairs.

Senator JACKSON. The committee will come to order.

Let us make sure that everyone here is cleared. I vouch for the Senate staff people present. I take it all the departmental people at the table are cleared?

Secretary GATES. Yes.

Senator JACKSON. Would you rather touch on NSC first?

Secretary GATES. Yes, if that is satisfactory.

Senator JACKSON. Surely. I think we can be fairly brief. I realize you have other appointments.

The Chair wanted to state that first of all, as you know, the NSC testimony will be released pursuant to appropriate arrangements as provided in the guidelines.

Regarding the U-2, this committee is not going to release any testimony of any kind. I have admonished all members here that nothing is to be said about what is said in here. The record will be available to the Department, of course. As we get into any of those areas, if you want to go off the record, you may do so.

Mr. Secretary, you have been on the NSC as a full statutory member since becoming Secretary of Defense last fall—

Secretary GATES. December; yes, sir.

Senator JACKSON. But you have attended a lot of NSC meetings prior thereto in connection with your position as Deputy Secretary of Defense, Secretary of Navy, and also as Under Secretary of the Navy.

Secretary GATES. Under Secretary, Secretary of Navy, and as Deputy Secretary of Defense; yes.

Senator JACKSON. From your knowledge of the NSC, how does it work best as an advisory mechanism to the President? When there are fewer people in attendance and dealing with a few big issues, or when they can cover many issues with many people? What is your feeling as to how it can be best utilized to advise the President? It is, after all, an advisory mechanism.

Secretary GATES. I would not draw much distinction based on the numbers of people present, Mr. Chairman. It sometimes is smaller than at other times. For example, when important military matters are involved, we have the service Secretaries and the service Chiefs there. That immediately adds, you see, seven people, including the Commandant of the Marine Corps. When we have special briefings for the NSC, we may have experts who have worked on these briefings. They make a presentation. The briefers do not participate in the policy discussion and usually leave after the briefings are finished. I would not feel that there was a distinction to be made between the number of people present and the work of the NSC.

Senator JACKSON. Let us put it this way. Do you feel that at least the membership should be held down? You don't want it to be a big body if it is going to be advisory to the President?

Secretary GATES. No.

Senator JACKSON. I am merely asking these questions in general and not with reference to any specific point.

Secretary GATES. I understand. Of course, statutorywise it is a small body from the standpoint of membership.

Senator JACKSON. Yes; but at times there have been meetings when you could hardly find the statutory members, if you know what I mean. You can bring in a lot of others and the tendency to bring in a lot is always great in a body like that.

Secretary GATES. There have been large meetings of the NSC for special briefings, where a number of responsible people were present and it was important to have them informed of the character of the briefings. But the freedom of discussion has been usually confined to a very modest sized group.

Senator JACKSON. Let me ask you this: Would you say that the best use of the NSC would be to concentrate on a smaller number of extremely important issues rather than trying to cover many issues? I am not asking this in a critical way and saying that this does or does not occur. I am just talking about the philosophy in utilizing this important mechanism.

Secretary GATES. I feel that the system we have been using is sound and that items that come before the NSC are of importance. I don't think that I can recall an occasion when we could have disposed of the item in as sensible a manner without bringing it there. Of course, certain items are more important than others. I feel in principle the NSC has been working well from my experience.

Senator JACKSON. What about the operation of the Operations Coordinating Board? Do you feel that it has been functioning well?

Secretary GATES. Yes. My personal experience with the OCB was limited to a very short period of time. That was during the time I was Deputy Secretary of Defense from last June until December. I was one of the group of Under Secretaries among the agencies who attended the OCB Wednesday meetings. They meet weekly at lunch and after lunch. I felt that the meetings I participated in were most helpful for coordinating the actions and implementation of NSC policies. Those were always attended, in those days, by Bob Murphy and the AEC man and the ICA representative and the Under Secretary of the Treasury. It is largely the Under Secretary level in the agencies involved. I thought that they were helpful and useful and out of them came a good method of followthrough. I think the OCB mechanism or something like it is vital to assist in coordinating the implementation of NSC policies.

Senator JACKSON. Senator MUSKIE.

Senator MUSKIE. We have gone over this ground so many times in generalities. It is difficult to really illustrate one point of view or another with respect to the effectiveness of the National Security Council unless we get into illustrative situations, and that we are forbidden by the guidelines from doing. In your statement, Mr. Secretary, you made some points which I would like to emphasize, particularly because I agree with them. You said that some people have expressed concern because on some important matters the Chiefs do not reach unanimous agreement. I could not agree with you more that this is not objectionable if there are strongly held differences of opinion.

My question here, and I have asked it several times of several witnesses, is whether disagreements within the Department of Defense on important matters rise to the level of the National Security Council as freely as they should? I am aware that the National Security Council should not be an appeal board for quarrels within any department. I am not suggesting that. I think there ought to be a certain accessibility to the National Security Council for people below the level of Chiefs to present strongly held differences of opinion on vital matters. Do you think that this happens freely?

Secretary GATES. Of course, the National Security Council is not the only time that the Joint Chiefs and myself meet with the President. We meet on many other occasions throughout a year. If there is any disagreement of a strong character that affects important military policy, I would say that a Chief should present his case to the President directly, and he does. Frequently, they have expressed strong opinions in the NSC when they are present for the purpose of military discussions. Also, the Chairman of the Joint Chiefs of Staff is a regular attendant at the NSC meetings, and he feels it part of his responsibility, if it is solely a military discussion, to recognize the position of a given service as being different from his own, and to state it. So the service's strong conviction on an important subject is available.

Senator MUSKIE. If I may pose an illustrative policy problem, I was the beneficiary of an excellent briefing by the Army early this winter and was grateful for it. I gained an impression, not from anything that was said directly, but simply from the implications—

and I may have drawn them erroneously—that some of the senior officers present were less than happy with the pace at which we were modernizing conventional weapons. Forgetting about the merits of this for the purposes of my question, if there is disagreement on something of this sort, is this the kind of subject that would be discussed on the level of the National Security Council, appreciating what you have already said that it might get to the President by some other route? Is this something that would be discussed in the inner National Security Council, or might be? I am not asking if it was, because that is forbidden.

Secretary GATES. If it was a position that was not just that of a few officers but was shared by the Chief of Staff of the Army, you might say a very strong position with or without his Secretary's approval, this position would be first reviewed—this is one of the things I would meet with the Joint Chiefs of Staff on, because there would be a split paper involved—within the Department of Defense, first by the Joint Chiefs of Staff, and the Joint Staff, and then by Mr. Douglas and myself participating with them. If it was considered to be fundamental enough, a grave enough question so that we felt a ruling on it would be better and that we would make a better decision on it with the participation of the Secretary of State or somebody else who could make a contribution to the matter, then we would discuss it with those people that could aid us in it. Certainly, if it was fundamental, I would consider that it should be discussed with the President, and at that time the other point of view should be expressed.

Senator MUSKIE. I take it that you would be the initiating force. This sort of subject would not get on the agenda of the National Security Council unless you thought it ought to be there.

Secretary GATES. Unless I thought it should be there, or unless the Chairman of the Joint Chiefs of Staff thought it should be on the agenda, and I agreed, I feel it would not get on the agenda; that is right. After all, we are responsible for the management of our own Department.

Senator MUSKIE. If a subject of this kind appeared on the agenda of the National Security Council, would the other members of the Council, other than the military members, have an influence on the Defense Department policy in this respect?

Secretary GATES. When any person with grave responsibility can bring an additional light on an important subject where I myself have a doubt in my own wisdom or the wisdom of the majority or minority of my advisers, I think the only sensible thing to do is to get that advice and throw all the light you can on the subject. I would not know how to operate any other way. Therefore the answer to your question is "Yes."

Senator MUSKIE. I suppose what I really want to get your reaction to is a generalization from this specific situation that we have been exploring. Is there a major impact, or less than that, an important impact, made by the National Security Council on the actual defense program?

Secretary GATES. From the standpoint of the policy of the defense program, there is a most major contribution made. The basic military policy is most important in this respect.

Senator MUSKIE. Could you illustrate that without breaching our guidelines?

Secretary GATES. I have always tried to be as frank as I can before any committee, and I don't know how to interpret some of these guidelines at times. The major defense policy is approved by the National Security Council and the President. This is the policy within which the programs are developed for Defense. If a unified commander has a strong point of view about something he wants to do unilaterally, we don't take this to the National Security Council. We try to handle this within the responsibilities that we have of our own. If it is so strong that it worries us, that we feel we need broader review, then we seek the broader review. We would not take a speech or something of that character beyond the Department of Defense if we felt that we had confidence in our own collective thinking that we should not do so.

Senator MUSKIE. There is some difference of opinion as to the adequacy of our posture with respect to limited warfare, and I say difference of opinion, rather than disagreement, because I am not interested in discussing this on the merits, but simply in an illustrative way: the difference of opinion as to whether our conventional arms are being modernized at a sufficiently fast rate to meet the security policy objectives which apparently have been agreed upon. In other words, the spirit is right but the flesh is a little weak.

Secretary GATES. The Joint Chiefs of Staff and myself consider that we are within the framework of the policy regarding the use of nuclear weapons. We are in accord on this.

Senator MUSKIE. Does the National Security Council review your judgment or is there an opportunity for the National Security Council to review your judgment on a thing of this sort?

Secretary GATES. A thing of this sort would be a matter of the basic policy which is approved by the National Security Council and the President. A thing of this sort would be definitely a part of that policy.

Senator MUSKIE. On the implementation of policy the Council tends to accept your judgment and that of the Joint Chiefs of Staff?

Secretary GATES. And the President. If someone wants to contest that in an important matter, really contest it with a sound conviction, then it could be reopened. It does not stay static. In fact, that particular subject comes up every year. It never stays put.

Senator MUSKIE. I think Senator Jackson already touched on the Operations Coordinating Board. I got the impression, and I hope the chairman will correct me if I am wrong, from Secretary Herter's statement, first of all that there is excellent coordination among the members of the National Security Council in the development of policy. That the Operations Coordinating Board works effectively in implementing policy. But that there was no effective way, and in Secretary Herter's judgment no justifications, for any review on the part of the National Security Council or evaluation of the implementation of this policy by the operating agencies. Have I stated that correctly?

Secretary GATES. Yes, I think you have; at least as I interpret what you have said. We have a responsibility to carry out policy actions. There is a check-and-balance followthrough. As matter of fact,

major policy decisions are reviewed annually. I think that policies are reviewed by the OCB on a 6-month basis. So within my own responsibility I have a responsibility to see that NSC policy actions are carried out. If they require coordination by the OCB as determined by the guidance of the NSC, that is done.

Senator MUSKIE. One more question on the general value of the NSC. Do you feel as an important department head, and an experienced one, that NSC gives you thinking time that you would not otherwise as effectively utilize or even have at all?

Secretary GATES. The NSC gives me what?

Senator MUSKIE. Thinking time.

Secretary GATES. We spend a great deal of time on it. I have a formal procedure of preparation for it.

Senator MUSKIE. I think we would be interested in this.

Secretary GATES. The mechanism is this: The ISA charter, which includes more than just international security affairs, established two offices composed of nine professional people, full time, on NSC and Planning Board and OCB responsibilities. The first review is held in those offices. The subject is then farmed out to the services, which have their own departments and their own people on NSC matters in the politico-military division of the military staff under the Chief. The service Secretary himself has a large amount of responsibility in this respect. Then the services' positions are reassembled by ISA and then reviewed in close consultation with the Joint Staff. Then this position is taken up at a Planning Board session which meets twice a week at which the Assistant Secretary of Defense is the Defense representative. Then the position is brought either to Mr. Douglas or myself, usually both of us, and we review it with the people who have worked on it. This meeting, which may last any amount of time, depending on the item, then prepares me to represent the Department at the NSC meeting.

The procedure goes on from there through a record of action, back to the Secretary of Defense, back to the services, to the OCB working groups, who may develop plans, and may even come back to me for further action at a later date.

So this is the mechanism that we go through. It is considered to be of major personal importance to a service Chief and to a service Secretary and to myself, that we participate thoroughly in the position that the Department of Defense will take.

Senator MUSKIE. Through this process, is there a tendency to emphasize compromise and accommodation of points of view at the expense of maintaining sharp alternatives?

Secretary GATES. I think you will find that there is usually a fairly strong position involved if we want to take it forward for action, and that we take it forward in articulate and strong form. If there is a matter that is not quite that important, one that perhaps could be done the other way as well as this way, then we say so when we bring it up. But if it is a strong position, it is then the Department of Defense position representing the military departments, the Joint Chiefs of Staff, and the civilians who have participated in it.

Senator MUSKIE. That is all, Mr. Chairman.

Senator JACKSON. That will conclude the questions on the NSC. May I, Mr. Secretary, express at this point in the record, the warm thanks of the subcommittee for your forthright and informative testimony before us today.

(Thereupon, at 12:45 p.m., the executive session was concluded.)

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

TUESDAY, JUNE 14, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 2:15 p.m., in room 3002, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, and Brewster C. Denny, professional staff members and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The committee will come to order.

The Subcommittee on National Policy Machinery continues today its hearings on the National Security Council and the problems of organization and coordination between the Departments of State and Defense. As before, we are examining the organizational machinery by which critical national policy problems are identified, and by which policies are developed, coordinated, and implemented.

We are continuing in our effort, first, to assess the effectiveness of the means available to the executive branch to coordinate complex diplomatic, military, and economic programs, and then to make constructive recommendations for improvement. As is known, we have agreed with the President that the testimony by present or former officials who served on the National Security Council or its subordinate bodies, regarding the Council and its subordinate machinery, will be taken first in executive session.

A recurring theme in our hearings has been the interdependence of foreign affairs and military affairs and the need for the fullest coordination between the Departments of State and Defense and the Joint Chiefs of Staff in these critical areas.

We are pleased today to welcome Gen. Maxwell D. Taylor. Since his graduation from West Point, General Taylor has had a distinguished military career. During World War II he served with the 82d Airborne Division and was the commander of the famed 101st Airborne Division.

General Taylor is richly experienced in the development of our military leaders. He taught at West Point from 1927 to 1932, and served as its superintendent from 1945 to 1949. His understanding of the interrelationship of military and diplomatic problems has been reinforced by service as a soldier-statesman in the Far East, Latin America, and Europe.

General Taylor, it should be noted, is one of the Army's most gifted linguists, and, I might add, one of its most gifted scholars.

Following his notable service in the Far East, he became Chief of Staff of the U.S. Army in 1955. He served in that post until his retirement in 1959.

General, it is a great pleasure to welcome you to the subcommittee today. I believe you have a prepared statement, and you may proceed in our own way.

**STATEMENT OF GEN. MAXWELL D. TAYLOR, U.S. ARMY (RETIRED),
FORMER CHIEF OF STAFF, U.S. ARMY, ACCOMPANIED BY LT.
COL. HAYDEN J. PRICE, OCLL, OSA**

General TAYLOR. Senator Jackson and members of the subcommittee: I would like to express my thanks to the subcommittee for the opportunity of testifying on the subject of the adequacy of our national policy machinery. I have noted the list of distinguished witnesses who have preceded me and can hope to add very little to the evidence already accumulated.

One comment of a general nature may be in order before getting down to particulars. I have noted that most of the prior testimony has dealt with the effectiveness of existing governmental organizations and procedures for formulating and executing national security policy. It occurs to me that the insertion of the word "security" before policy may tend to limit the range of examination by the committee and obscure the fact that security policy is only one important aspect of national policy and is not an end in itself. Security, like safety, tends to have a defensive, negative ring, whereas national policy should be a blending of dynamic forces focused upon the overall objectives of the Nation. To speak of security policy also suggests a restrictive attention upon military measures whereas national policy properly implies the presence of indispensable nonmilitary components. Thus it would appear to be a broader point of departure for the deliberations of the subcommittee.

The formulation of national policy, to include security policy, may be said to be the first responsibility of the fountainhead of government. There follows immediately thereafter the requirement for a national strategy which combines in proper proportion all available ways and means to implement the national policy. These ways and means include political, economic, and psychological elements as well as military. Thus, military strategy in proper perspective is but a part of national strategy, and is formulated at a third level in the echelons of national planning.

At all three of these levels—national policy, national strategy and military strategy—there is need for clearly fixed responsibility for planning, execution, and followup. Often the stress is placed upon planning but execution is the payoff and the adequacy of execution requires verification. Under our present system, the responsibility for these functions at the level of national policy and strategy rests with the President assisted by his civilian advisers and advisory agencies. For military strategy, the President bears the responsibility as Commander in Chief but in practice delegates direct responsibility

to the Secretary of Defense assisted by the Joint Chiefs of Staff. It is the adequacy of this total organizational structure which I understand concerns this subcommittee.

In my observation, the existing organizational system is inadequate in certain respects for the complex task set before it. Viewed from the position of a service Chief of Staff, the system is most visibly defective in its failure to provide clear guidance for the formulation of military strategy and for the generation of the military forces to implement that strategy. As a result, the Joint Chiefs of Staff have often been at odds over what is expected of the Armed Forces and have been unable to agree on the size and kinds of forces needed to provide the military component of the national strategy.

In the absence of agreement by the military chiefs, economic and budgetary factors have come to play an overriding part in determining military posture. Each year the services receive rigid budget guidelines which control the growth, direction, and evolution of the Armed Forces. These guidelines are often set with little knowledge of their strategic implications.

As a matter of fact, it is very difficult to determine their implications because of the way in which the defense budget is constructed. In spite of the fact that modern war is no longer fought in terms of a separate Army, Navy, and Air Force, nonetheless we still budget vertically in these service terms. Yet, if we are called upon to fight, we will not be interested in the services as such. We will be interested rather in task forces, these combinations of Army, Navy, and Air Force which are functional in nature, such as the atomic retaliatory forces, overseas deployments, continental air defense forces, limited war expeditionary forces, and the like. But the point is that we do not keep our budget in these terms. Hence it is not an exaggeration to say that we do not know what kind and how much defense we are buying with any specific budget.

This kind of budgeting makes it hard to determine what our military posture will be at any given time in the future. It would not, however, prevent the determination of actual strength in being at any present moment, provided the forces in being are viewed in functional categories. Some such recurrent appraisal is particularly necessary in view of our worldwide political commitments to some 48 nations. Although these commitments carry serious military implications, there is no standard procedure to my knowledge for comparing military strength and political obligations. We lack a system of politico-military bookkeeping to assure that commitments and capabilities are kept in balance. I suggest that this is an area worthy of the attention of this subcommittee.

As a result of the foregoing conditions, we have the strange phenomenon of the partial loss of control of the military in a Government where all parties, including the military, are dedicated to the principle of civilian control. The implementation of the principle has been too often confused with the need for layers of civilians between the responsible military chiefs and the seats of decisionmaking authority. Actually such layering often contributes to the opacity of guidance reaching the military as well as to the filtering out of responsible military advice needed in formulating high policy. True civilian control, on the other hand, should be such as to assure that

the military build forces of a size and kind consistent with the approved national policy and capable of providing the President and the Secretary of State with a flexible tool for defense and maneuver. The lack of a clearly defined national strategy, the resulting vagueness of guidance—other than fiscal—provided the military, and the obsolete method of budgetmaking combine to make difficult if not impossible this meaningful kind of civilian control.

If certain defects are found in our present policymaking machinery, it would be fair to ask for suggestions as to improvement. I would suggest the need for five improvements or changes:

(a) A more clearly defined national policy to include a national security policy.

(b) A better staff organization for planning and implementing national strategy and for verifying its execution. The revised procedure should include a tie-in between national strategy and the national budget, a tie-in which does not presently exist.

(c) A defense budget based on operational functions rather than on the military services.

(d) A division of the functions of the present Joint Chiefs of Staff between a Defense Chief of Staff and a Supreme Military Council.

(e) Clearer guidance for the development of military strategy and the generation of military forces.

As these points are broad generalities, I will illustrate specifically the kind of clearer guidance which I view as badly needed by the Military Establishment to assure a flexible military strategy appropriate to the threat confronting the United States. Such guidance flowing from the Commander in Chief to the Department of Defense and the military services might read as follows:

The objective of the military preparations of the United States is to create respect for the strength of the United States without arousing fear of its misuse. That respect should be sufficient to deter military attack on the United States and to discourage aggression in any area of U.S. interest. If deterrence fails, our strength should be sufficient to impose appropriate punishment upon the aggressor.

In short, U.S. military strength should be such as to impress possible enemies and encourage friends and neutrals but should not inspire fear arising from the nature of its weapons or from the character of the strategy which directs its use.

To achieve this kind of military strength, the Department of Defense will conform to the following guidance:

(a) The Armed Forces of the United States will be so organized and trained as to have the capability of deterring a general atomic attack on the United States and of dealing a crippling second strike against the aggressor if deterrence fails. The weapons system for retaliation will consist primarily of long-range missiles with atomic warheads, firing from mobile or concealed positions removed from important friendly targets. To add to its deterrent effect as well as to its capability of survival, the system will be provided with an active air and antimissile defense.

(b) Concurrently and with equal priority of effort, the Armed Forces of the United States will be so organized and trained as to have the capability of sustained combat on the ground and at sea, placing primary reliance on the use of nonatomic weapons but having tactical atomic weapons in reserve. These forces will have strategic and tactical mobility to permit prompt and timely intervention in any area of vital U.S. interest.

(c) The role and missions of the military services will be redefined to fix clearly service responsibility for the organization and training of the forces required under subparagraphs a and b above.

(d) To support the foregoing forces the Department of Defense may plan upon receiving an annual sum approximating 10 percent of the gross national product. For midrange fiscal planning it will submit to the President annually a 5-year

military program for overall approval. This program will define and justify goals for all categories of operational forces required in this period. These goals will be based upon the estimated military threat and the extent of the political commitments of the United States which have military implications. The Department of Defense will justify its annual budget in terms of operational forces required to meet the approved force goals.

(c) The Secretary of State and the Secretary of Defense will make an annual report to the President on the adequacy of the military forces in being in relation to the current military threat and to the current commitments which may require the use of military forces for their fulfillment.

It is believed that some such terse directive as the foregoing would provide appropriate initial guidance to the Department of Defense to assure a flexible military strategy appropriate to our needs. Many interpretative and supplementary decisions would later be required on such matters as the conditions for using atomic, chemical, and biological weapons, the policy on maintaining overseas deployments and bases, military aid to allies, and civil defense. The ultimate result would be, I hope, a strategy of flexible response offering many military alternatives to our civilian leadership. Moreover, by the change in budgeting it would assure that we put first things first and that we know better what we are buying for our defense dollars.

That terminates my prepared statement, Mr. Chairman.

Senator JACKSON. General Taylor, may I first commend you for giving the committee a concise, a penetrating, and, in my judgment, a highly provocative statement.

General TAYLOR. Thank you, sir.

Senator JACKSON. It is refreshing to have a short statement that includes so much in it. I commend you most highly for it.

General TAYLOR. Thank you.

Senator JACKSON. I wonder first if I might turn to that point in your statement where you refer to the situation with reference to civilians that get into the fabric of the Department of Defense in several layers which makes the decisionmaking process very difficult. I wonder what your own feeling is, based on your long experience, of the difference between the civilian who has had an opportunity to serve a considerable period of time in the Pentagon versus the one who is here for a short period of time insofar as its impact on the military is concerned?

General TAYLOR. There is no question about the advantage of the former type. This is a very complex business, as we all know. Those of us who have given our careers and lives to the business have to work constantly at our homework just to keep abreast of the current problems in the Pentagon. Regardless of the patriotism and ability of the civilians who come in, they are under a great handicap.

Senator JACKSON. In other words, wouldn't you say it would be fair to conclude that if you are going to have true and effective civilian control, which is a traditional part of our system, that a civilian must be well qualified so that he can make independent judgments in the area where he has statutory and constitutional responsibility?

General TAYLOR. He must have inherent ability, and then a willingness to stay and work very hard at a difficult job.

Senator JACKSON. That is right. If he is going to do that job, and do it with some independence, he obviously must have had the necessary period of service before he can be effective.

General TAYLOR. Yes.

Senator JACKSON. We have been deeply disturbed by this situation. I know the President has been concerned, because he suggested, I believe in his Notre Dame speech, which we have included in the record earlier, I think, that they should serve at least 4 years. Would you say that this is at least a minimum?

General TAYLOR. I would say that is a fair minimum.

Senator JACKSON. We have been considering the possibility of introducing in the Senate a turnover resolution in which the Senate would express its concern over the turnover of civilians in important jobs, and its hope that future appointments would be for longer periods of time. Otherwise we would look with disfavor on them. I mention this, General Taylor, as a problem that applies not only to this administration, but has applied in previous administrations.

Now, I would like to have your judgment as to the influence of the budgetary process on national security planning, and particularly with reference to the military part of national security planning.

General TAYLOR. Undoubtedly it played a very important role in limiting or controlling defense planning, and more importantly, defense execution. I would not suggest for a moment that economic and fiscal factors should not be considered. Also I would place some of the blame on the military Chiefs because of their inability to give advice without disagreement or splits on many important points. Someone has to decide these controversial matters. Usually it is the requirement to agree on a budget which has ended many of the strategic arguments within the Pentagon.

Senator JACKSON. You feel if we had a functional budget that we would have, first of all, at least a better idea as to what kind of defense program we are buying with a given number of dollars.

General TAYLOR. We would know what we are arguing about. Frankly I don't think many times in the past we have really been clear as to the issues.

Senator JACKSON. I think it might be helpful to members of the committee who have not had an opportunity to hear this recommendation of yours explained if you could take a moment to illustrate what you mean by functional budget.

General TAYLOR. As you gentlemen are thoroughly aware, the defense budget is cast in three compartments or perhaps four compartments. The Army budget, Air Force budget, Navy budget, and a small budget for the Department of Defense. These are considered more or less in isolation at the time of their formulation. In other words, the Secretary of the Army and Chief of Staff appear before the Secretary of Defense and argue the requirements in Army terms, how many divisions, what kind of equipment and that sort of thing. The same kind of procedure applies to the other services. Then the service budgets are all put together, and adjusted under whatever ceiling has been fixed for the overall defense budget.

As a result, we can't know what we have in fighting forces. We don't fight by armies, navies, and air forces. Instead, we are interested in how strong is the capability of the atomic deterrent force. How many planes, how many missiles, how many bombs on target it is capable of delivering under certain conditions. Similarly in the case of

limited war reaction, we are interested in knowing how many divisions can be transported to an overseas area, in what period of time, and maintained for how many months of combat. We are interested to know how effective the air defense of the United States is in terms of the probable penetration of hostile bombers and missiles.

To have a meaningful idea of where our money goes, we ought to price these various categories of operational forces. When we look at our defense budget of \$40 billion or whatever it happens to be, we should be able to say we put in say \$8 billion for atomic deterrent forces, and so on. I always made this kind of analysis in the Department of Army for my own edification. But this is not something that an individual or single service can do accurately. It has to be done as part of the overall budgetary organization, not only of the Pentagon, but also of the Congress.

I am not sure if that covers the point adequately.

Senator JACKSON. Another outstanding witness before this committee made this statement. This is from Dr. James Perkins of Carnegie Corp.:

Modern weapons and derived modern strategy have made largely obsolete existing organizations in the Pentagon. If anything is clear, it is that modern warfare does not divide itself into problems of land, sea, and air. Weapons have made the globe one large integrated battlefield; strategy, tactics, and organization to support these must recognize this fact. Functional tasks now divide along the lines of strategic deterrence, limited warfare, continental military defense, civil defense, military assistance to allies. The hard unvarnished truth is that it has been impossible to assign tasks on a functional basis along existing lines.

Would you agree in general with this statement?

General TAYLOR. Yes, I would agree in general and point out at the same time that we do organize our forces on a functional basis overseas. A unified command is just that. It is a proper balance of the three services to perform a given task.

Senator JACKSON. We don't do our budgetary planning that way.

General TAYLOR. That is right.

Senator JACKSON. Isn't that the main burden of your presentation?

General TAYLOR. That is right. It is almost impossible to identify the use of our money in functional terms under the present setup.

Senator JACKSON. Do we have a long-range national strategy insofar as our overall strategy is concerned?

General TAYLOR. We put out an annual document which I think we probably ought to discuss in executive session, which undertakes to define our national security policy each year. It was never really overhauled in the 4 years I was Chief of Staff, but rather carried forward with comparatively minor changes.

Senator JACKSON. You mentioned in your remarks a need for planning for the military responsibility of the national strategy on a 5-year basis. Do we have that now?

General TAYLOR. No, sir; we do not. We have a plan in the Joint Chiefs which is called in the jargon of the Pentagon the joint strategic objectives plan (JSOP), which is designed to forecast the forces required 4 years in the future. I added an extra year because I think that a 5-year range is probably necessary. The JSOP has never been an effective document, however, in actual application.

General TAYLOR. You have to examine as specifically as possible the situations which might arise. It is quite possible to think of a dozen brush fires breaking out at once and hence creating astronomical requirements. Commonsense has to temper this kind of estimate. The first thing is to know your commitments and hence the possible military obligations that may grow from them. That establishes goals for functional categories of forces which then become the basis for the budget.

Senator JAVITS. I am warning you that I am a lawyer. I am leading you somewhere. So you be alert.

General TAYLOR. I am on the edge of my chair, Senator.

Senator JAVITS. Under those circumstances, do you feel that we need some really decided change in the top echelon which will coordinate more closely than there is coordinated today defense policy and statecraft? In that respect we have had one suggestion, and that is Ambassador Kennan's suggestion that the Secretary of State shall have a responsibility under the President, as his lieutenant, as it were, not only for diplomacy but for security.

General TAYLOR. I am not sure how drastic a change in the top echelon organization is needed. As you know, I have never been an attendant at the National Security Council except occasionally on invitation. I have seen it in practice. Judging by what has come out of the system I form my opinion which is only partially qualified. I would say we have not got the clear guidance in the past for the military authorities to know what is really expected of them. Obviously they have to make assumptions. They don't stand still. It has been clear in subsequent years that civilian leadership has been sometimes surprised by what kind of military forces we have constructed. We have not been close enough together.

Senator JAVITS. That is just my point. In other words, the military have made a series of assumptions which are the function of statecraft, because they have not had the directive from the people in charge of diplomacy and politics to tell them what assumptions to make.

General TAYLOR. That is correct. That is what I refer to as partial loss of civilian control.

Senator JAVITS. So then a fundamental need, would you say, in your observation—we understand you are one witness with one view—a fundamental need, therefore, is to find a technique for stating to the military, let us say annually, the basic assumptions which they should make in terms of statecraft upon which their military budget and their military organization should be based, and that is a big risk, and that risk needs to be taken by some official of this Government short of the President.

General TAYLOR. I agree as to the requirement with regard to the military. I would suggest, also, however, the same kind of thing is necessary to guide our economic and political strength. In other words, across the board. You mentioned at the end, short of the President. Of course, all of this is inevitably the overall responsibility of the President. I can only visualize advisers to the President who will assist him. I could not visualize his being relieved of that responsibility.

Senator JAVITS. I agree with that thoroughly. I was stating it loosely. You are stating it very accurately. We do need to have a piece of governmental machinery which will enable the President, or require him, if you will, in terms of the necessities of the situation, rather than by direction—nobody can order him around and nobody wants to—require of the President the fundamental assumptions which the military are to make in terms of the diplomatic and military position of the United States in order to develop their military program, and this, you say, is not being done now.

General TAYLOR. It was not as I observed the function during my 4 years as Chief of Staff.

Senator JAVITS. That is the main point I want to make. We are not here to engage in orders of supererogation. If it is done, great. From your observation having been at the controls, this has not been done and needs urgently to be done. In practical effect, what you are telling us is that for all practical purposes the military have to make the assumptions themselves. They are making some right now.

General TAYLOR. They have to make many, but not all, of course. Actually the most direct control of the military becomes that of the budget.

Senator JAVITS. I thank you, Mr. Chairman. General, will you excuse me now?

General TAYLOR. Yes, sir.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Thank you, Mr. Chairman. I must say your statement and the discussion between you and Senator Javits has been the most useful we have heard in the course of our hearings. I would like to ask one or two questions in the open session because I am anxious to get to the closed session, which I think can be equally useful.

I like something you said at the beginning of your opening statement. Again I would like to nail down the point. You say:

At all three of these levels—national policy, national strategy, and military strategy—there is a need for clearly fixed responsibility for planning, execution, and followup.

I would like to get your impression, if you think you can make it in open session, as to the present existence of each of these three elements—planning, execution, and followup.

General TAYLOR. I think we should pursue it in detail in executive session. I would say that they are divided in at least two of the echelons.

Senator MUSKIE. I think perhaps we better put this over until executive session.

Now, you say:

Security, like safety, tends to have a defensive negative ring whereas national policy should be a blending of dynamic forces focused upon overall objectives of the Nation.

Would you say that there is not now such a blending with respect to overall objectives?

General TAYLOR. I think I am making rather a psychological point, Senator. It always surprised me that we ever named this great council the National Security Council, because it suggests that security is all we are worrying about. Security is something like happiness. It is one of the byproducts that comes from purposeful living as a nation.

Hence it seems to me that perhaps we get our eye off the real objective by stressing security, because it is only one very vital objective which we are pursuing.

Senator MUSKIE. I think as a psychological factor it is important. I know at the outset of these hearings some of us strained upon the limitations which the concept of security imposed upon our studies. Gradually we found ourselves restricted within those limitations. I think that is so because this is the nature of our policymaking machinery. I simply wanted to get your judgment as to whether or not this kind of restriction is a part of our national policy machinery.

General TAYLOR. I think all of us tend to criticize ourselves as not taking the offensive in many of these policy areas. Instead, we sit back and try to be safe. Anything which would give another twist to our efforts and point them in the direction of positive and affirmative action would be good. It seems to me that stressing the word "security" in our planning does work against that affirmative concept.

Senator MUSKIE. Do you think any agency of government which is concerned with the making of policy which produces a military result ought also in its policymaking to consider factors which would produce an educational result and an economic result?

General TAYLOR. Very much so. That is exactly my thought. We must work in all these fields and pull them together at a focal point in our Government where we consider all of these factors across the board. I have often been impressed that most of our troubles and problems are not military. The military side is relatively simple. It is an application of force to gain a specific end. Most of our problems are in the political, the psychological and the moral fields and require a much more sensitive touch than the job turned over to us in uniform.

Senator MUSKIE. With respect to your five suggestions for improvements, simply as a point of clarification, you discuss the Supreme Military Council. I take it this would be an advisory group?

General TAYLOR. It would be advisory to the Secretary of Defense, the President, and the Congress.

Senator MUSKIE. Mr. Chairman, I have no other questions I can ask at this time.

Senator JACKSON. General, I have just one or two others. I wonder if you could make a brief statement regarding our present military posture in relation to the threat and the direction that we are headed, assuming a greater effort is not made on our part?

General TAYLOR. I regret to say, Senator, that I view the coming years, the next 5 years, let us say, with very great concern. I feel that we will have to do better than we have in order to close the missile gap. By the missile gap, I don't simply mean the deficiency in numbers of our operational missiles, but our entire missile system to include protective devices, particularly the antimissile missile requirement.

Senator JACKSON. The ability to have a missile system that can survive a first strike.

General TAYLOR. That is correct.

Senator JACKSON. Not just the number of missiles we have and the number they have. It is the number of missiles we will have after they have struck the first blow.

General TAYLOR. And the number of those we can get on target.

Senator JACKSON. First of all we want our missiles to survive, and then we want to make sure that they are operationally effective.

General TAYLOR. And that they get on target in such numbers as to destroy the enemy.

Senator MUSKIE. Mr. Chairman, I suggest that this committee ought to take judicial notice of General Taylor's opinions with respect to our military posture.

Senator JACKSON. This is being televised. We can refer to it. It is "The Uncertain Trumpet," which all of you know is by General Taylor.

General TAYLOR. Harper & Bros. will be very grateful.

So we have the problem, then, of maintaining our second strike capability in the transition to a missile system. Then secondly, we have deliberately allowed our limited war capabilities to drop away. We have accepted as a deliberate decision continued inferiority on the ground in those areas where we may be challenged on the Communist periphery. If we don't do something about both missiles and ground forces and develop both more or less with a parity of effort, I would say from 1961 to 1965 we are in for trouble. Unfortunately, we can't correct this situation quickly even if we try. I think we forget the leadtime of readiness for modern weapons. I often see statements made by our responsible leaders that our military strength is sufficient. But I like to see a time date put on that statement. It is true we are very strong today. But how relatively strong will we be in 1963 considering the past decisions which are guiding our military programs, and which we can't do much to change? I have a feeling unless we change our attitude, get urgency in our decisions and follow up on those decisions, that we will face a critical period in these coming years.

Senator JACKSON. All of this has an impact on our foreign policy.

General TAYLOR. Unquestionably. We predicted some time ago that as the Soviets became sure of themselves in a military sense that the level of their provocation would rise commensurately. I think history is showing that today. I think the summit was a grim reminder of what we can anticipate in this period to come.

Senator JACKSON. It is inevitable that they will become more adventuresome as their strength continues to grow in relation to that of the United States and its allies, wouldn't you say?

General TAYLOR. I think that is a fair assumption.

Senator JACKSON. Are there any further questions?

Senator MUSKIE. One question on this point, since we are getting a little bit into the defense posture today. It has been my impression that the burden of your case in this respect has been that we are not taking the steps today that we ought to be taking to be sure that from the period 1961-65 we have the first and second strike capability that we have today.

General TAYLOR. That is right. We have a second strike capability based upon the manned bomber today. The question is will we have it based on the protected missile in 1963?

Senator MUSKIE. I ask the question simply because there is still confusion among many people that you are criticizing our posture today which I am sure is not your position.

General TAYLOR. That is correct. I am looking to the future.

Senator JACKSON. At that point I hasten to put this question. In order to have a continuance of our present level of strength, I take it your point is that we have to do the job now and should have been doing it a while back because of this factor of leadtime.

General TAYLOR. That is correct.

Senator JACKSON. It is not like going into a store and buying what you need. We put our order in and we have to wait for some items, 1, 2, 3, 4, and 5 years. Is this not a fact?

General TAYLOR. That is correct, particularly if we allow business as usual to guide our behavior. It is always possible by taking urgent methods to collapse some of that time, but not all of it.

Senator MUSKIE. It does not take much leadtime to purchase the items Senator Douglas was displaying yesterday.

Senator JACKSON. One last question, General. I know there has been disagreement within the Joint Chiefs of Staff almost since their existence. I wonder if in your judgment these disagreements stem from the present setup of the three services as the arrangement is at the present time, or whether some of this results at least in large part from a lack of clearly defined national policy.

General TAYLOR. From a number of causes I would say, Senator Jackson. First, if the national security policy were written so crystal clear that there would be no argument over its language that would certainly help. However, I doubt any human instrument can ever be that clear.

Next there is a real philosophical division among us or was with regard to massive retaliation and its effectiveness as a national military strategy.

Third, and perhaps the most important, is the budget itself. By the nature of budgeting, which we mentioned, in effect we put a sack worth \$40 billion in front of four very earnest men and ask them to agree how to split it. That is asking almost the impossible whether the men are in or out of uniform. Again I would say if the basis of the argument were not what the Army is going to get, but for example how much continental air defense will get, a function in which all three service Chiefs have some interest, we could eliminate much of the battle which thus far has been inevitable.

Senator JACKSON. And we could save some money.

General TAYLOR. I would hope so, or at least use our money better.

Senator JACKSON. Any further questions on this? Mr. Pendleton.

Mr. PENDLETON. General, in your prepared statement, you discuss the question of disagreement or agreement among the Joint Chiefs of Staff. What I would like to do is read to you a couple of quotations from your successor, and see whether you agree or disagree with him. I would gather it will probably be the latter.

General Lemnitzer, before the Preparedness Investigating Subcommittee of the Committee on Armed Services, made the following statement:

I just don't see how any group of men who are confronted with the complexities of our present military problem could fail to have differences of opinion. I am not so much concerned with differences of opinion in the Joint Chiefs of Staff. It will be a sorry day for this country when there aren't honest open differences of opinion.

Then a little further on, in response to the question :

Are you satisfied with the Joint Chiefs of Staff and the unified command organizations?

General Lemnitzer said:

Yes; I am. I think we have a decisionmaking mechanism that can work and does work. I realize that there have been criticisms that it may have been slow in certain circumstances. Since I am a part of this decisionmaking mechanism, I may say that some of the decisions are not easy ones to make and require a great deal of detailed and exhaustive study to be sure that we are making the right ones. In this business if you make a wrong decision, it may be irrevocable.

Do you have any comments on his statements?

General TAYLOR. You quoted a number of things. I believe they fall into two groups. The first is that General Lemnitzer says it is quite natural for the Chiefs to split, and they probably should. I agree with that 100 percent and I have said it many times.

With regard to the overall satisfactory nature of the Joint Chiefs, I can only say I spent almost 4 years as a member of the Joint Chiefs of Staff not sure as to whether we had the best system or not. What I put in my book, which I have just outlined, was my final thought on the subject. I would not have advanced it in my second year or third year, but I ended up with that conclusion for better or worse. I also would like to make the point that I am told the Chiefs are working much better now because of Secretary Gates' personal intervention. I think that is an excellent thing. Many of the disabilities which I have commented on undoubtedly sprung from personalities in the past. The system can be made to work better than I saw it work.

Mr. PENDLETON. Next, you say:

Although these commitments carry serious military implications, there is no standard procedure to my knowledge for comparing military strength and political obligations.

General Lemnitzer had this comment to make upon his commitments in response to this question:

When we make a military commitment, are the military people consulted about it?

General Lemnitzer said:

Generally; yes.

Always?

General LEMNITZER. I would say now they are. I can't say categorically the 48 number [referred to earlier] is correct or whether the military were consulted in every instance. This I do not know. But I would say generally speaking, yes.

Then skipping down:

Apart from NATO are you consulted about these commitments around the world?

General LEMNITZER. Since I have been Chief of Staff I know of none that we were not consulted about.

Is this a change in procedure from your experience?

General TAYLOR. No. I had on the wall of my office as Chief of Staff a chart that showed the world with all the commitments, 48 of them, as I counted them, to these various nations. I am quite sure the record would show that whenever a commitment was made, it was

done with the knowledge of the Department of Defense and the Chiefs of Staff, if they existed at the time.

My point is that no one sits down and decides what are the military implications; what kind of navies, armies, and air forces will be necessary to carry out these commitments. Furthermore, no one checks regularly to see what we have got now to make good on these 48. In other words, it is the followup deficiency.

Mr. PENDLETON. Wouldn't that be the duty of the Chief of Staff of each service?

General TAYLOR. No, indeed. Certainly any conscientious Chief will bear these commitments in mind, and I can assure you that I did as an individual. That is not the important thing. The important thing is to find out if the whole Military Establishment is geared to meeting these obligations.

Mr. PENDLETON. Next, in your recommendation (b), you say:

The revised procedure should include a tie-in between national strategy and the national budget.

Is it not true that recently the Joint Chiefs have been brought into the budgetmaking procedure for the first time?

General TAYLOR. I have been told that. I hope it is true because it was high time.

Mr. PENDLETON. You approve of the step?

General TAYLOR. I don't know the details of how it is actually geared in, but certainly not to have the Joint Chiefs required to review the overall defense budget and express an opinion to their civilian chiefs and also to the Congress is a serious omission.

Mr. PENDLETON. On the discussion of the present military posture, first on the question of limited warfare, General Lemnitzer had this to say:

We have a considerable capability for fighting limited war.

Further on, he said, in response to questions:

I feel if these programs we are talking about (that is, the 1961 budget that was being discussed) are carried out that we will have the capability of deterring the Soviet Union from general war, and I believe that we will have a substantial capability of meeting any limited war within the period that you are talking about.

Based on your understanding of the situation as of the time you knew it, do you agree or disagree with his comments?

General TAYLOR. If you will define "substantial," I will be able to answer your question.

Mr. PENDLETON. I am afraid I can't.

General TAYLOR. I can't, either. I was worried about it. I did not think our capability was enough.

Mr. PENDLETON. Each person is entitled to his opinion.

Finally on the comment about general war, General Lemnitzer in his address of March 7, 1960, made the following statement:

Furthermore, as one familiar with our capabilities I want to assure you that even if the Communists launched an all-out thermonuclear attack on the United States tonight, nothing could prevent them bringing down upon themselves vast destruction from the retaliatory blows which we would still be able to deliver against them. My colleagues in the Joint Chiefs of Staff share this view.

Do you have any comment on that?

General TAYLOR. What was the date?

Mr. PENDLETON. March 7, 1960.

General TAYLOR. As of March 7, 1960, I would agree.

Mr. PENDLETON. Thank you, General. Thank you, Mr. Chairman.

Senator JACKSON. General, if I may just followup on this point, first on the budget, from your experience in trying to formulate the requirements for the Army, did you have a free hand in trying as best you could to meet what you felt to be a justifiable requirement of the Army?

General TAYLOR. Within the Army very definitely so. My relationship with Secretary Brucker was very close and intimate. We worked out freely, based purely on military considerations, our initial request for the budget, which was the starting point. Like any requirements budget, it was never the budget we eventually got.

Senator JACKSON. Did you get guidelines in the first instance?

General TAYLOR. It varied from year to year. In point of fact, eventually guidelines were always applied. In other words, ceilings were applied. At the outset the restraints were not nearly as tight as my last year as Chief of Staff.

Senator JACKSON. But in your earlier years of serve as Chief of Staff you had definite instructions as to how much you could ask for, that is guidelines?

General TAYLOR. As I say, it varied each year somewhat. It amounted to that. We could be pretty sure that we would have to stay within a certain overall figure. Sometimes we would be allowed to vary say 10 percent over or short, some device like that, to permit the original submission in a flexible form.

Senator JACKSON. You indicated earlier in response to my question about the present posture of our country that we can meet the immediate threat. I turn now to the direction in which we are headed. What in your judgment should we be doing that we are not now doing to meet this continuing threat in the years ahead in the way of additions to our defense budget?

General TAYLOR. My views 9 months ago, when my information was still current, were something like this. We should take certain immediate steps where the time factor did not make it difficult, and where the expenditures of effort and money would not be very great. I suggested that we should improve the organization of our limited war forces, pulling them together under a single headquarters, with responsibility for their readiness and training comparable to SAC responsibility for our atomic strike forces. That was purely an organizational change.

Senator JACKSON. You developed STRAC as Chief of Staff, did you not?

General TAYLOR. That is correct. But it is only the Army component. What we need is a component from the Navy and Air Force as well.

Senator JACKSON. I mean the Army's counterpart to SAC.

General TAYLOR. I would visualize a joint headquarters comparable to SAC. Next it seemed to me 9 months ago that the absence of reliable long range missiles could be supplemented by the use of the Jupiter intermediate range missile as a mobile field weapon as originally designed by the Army. As you know that feature has been taken out and much of its value thereby lost.

Third, I have always been concerned with the vulnerability of SAC, as you gentlemen are. It seems to me anything we could do by dispersion or air alert of SAC within reason should be considered.

Finally, we ought to get started on a fallout program for civil defense. Those three things could be initiated quickly, and in my judgment would help tide over the difficult period we are facing ahead of us.

Then the long range actions I have already referred to. We have to get a second generation of mobile missiles protected by antimissile missiles, modernize our limited war forces, give our Army at least as good equipment as the enemy is likely to have, and improve our strategic mobility. Those are actions which you cannot do tomorrow. They require considerable funds and considerable time.

Senator JACKSON. The modernization of the Army in particular has been lagging, has it not?

General TAYLOR. Very much. We have not been able even to replace the obsolete equipment that is passing out of our inventory.

Senator JACKSON. Vis-a-vis the enemy, we are outnumbered quantitatively. They have made enormous progress qualitatively insofar as modern arms are concerned for their ground forces.

General TAYLOR. That is correct. They completely reequipped the Soviet divisions after World War II and are now in the course of a second go-round of modern equipment. At least that was the information I had when I was last current.

Senator JACKSON. During the time that you have served as Chief of Staff, did you have opportunity to have full access to your superiors, including the Secretary of the Army, the Secretary of Defense?

General TAYLOR. Certainly there was no impediment to approaching any of these officials. However, except in the case of approach to the Secretary of the Army, it was not on a day-to-day basis. In other words, there would have to be a good excuse for any Chief of Staff going beyond the Secretary of the Army.

Senator JACKSON. How about the Secretary of Defense? Was that more difficult?

General TAYLOR. The door was always wide open, but there was never in my time that intimate give and take that would make for a complete exchange of views. I am happy to hear that this condition is changing.

Senator JACKSON. What about to the White House, to the President.

General TAYLOR. There is no question but what I could have seen the President any time that I asked.

Senator JACKSON. There never was any difficulty in that respect?

General TAYLOR. Other than the natural inhibition against requesting anything like that except in a real crisis.

Senator JACKSON. Thank you very much.

I might just ask one last question here. In your judgment, without reflecting on any individual, general, do you really have civilian control in the present setup the way it has been working out in the last few years?

General TAYLOR. As I implied in my opening statement, we often have it in the areas which are not essential, but we miss the most important part, which is to be sure that the sword being forged by

the Armed Forces is the one which the civilian leadership wants placed in its hand.

Senator JACKSON. It is in this area where you have serious reservations?

General TAYLOR. That is where I question whether our present procedure is the best for that purpose.

Senator JACKSON. And whether it really leads to the kind of civilian control that has been contemplated by the Congress and our system of government.

General TAYLOR. That is true. There is one other comment. That control should be exercised at the top only after hearing a clear unimpeded voice of responsible military counsel.

Senator JACKSON. That sort of clear unimpeded voice has been hard to attain.

General TAYLOR. It sometimes gets blurred in transmission.

Senator JACKSON. The title of the book, "The Uncertain Trumpet," I guess covers it.

Senator MUSKIE. I did not say that General Taylor is an uncertain trumpet.

Senator JACKSON. No. I don't think he implies that he is the uncertain trumpet in the book. That is what made possible the book. If there are no further questions, we will stand in recess while the television equipment is removed, and will then convene in executive session to hear General Taylor in connection with the matters relating to the National Security Council.

(Thereupon at 3:25 p.m., the committee proceeded to executive session.)

THE NATIONAL SECURITY COUNCIL AND THE DEPARTMENTS OF STATE AND DEFENSE

TUESDAY, JUNE 14, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
GOVERNMENT OPERATIONS COMMITTEE,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 3:35 p.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, and Brewster C. Denny, professional staff members; and Edmund E. Pendleton, Jr., minority counsel.

Also present: Robert Berry, representing Senator Karl E. Mundt; Charles A. Haskins, senior staff member, National Security Council; Kenneth E. BeLieu, staff director, Committee on Aeronautical and Space Sciences.

Senator JACKSON. The committee will resume the executive session in accordance with the guideline rules relating to the National Security Council.

General TAYLOR, did you have a statement specifically prepared on the NSC?

General TAYLOR. No, I did not.

Senator JACKSON. Suppose I ask a few questions and then I will turn to Senator Muskie and to the minority counsel.

I assume that in the course of your duties as Chief of Staff of the Army you frequently turned to papers of the National Security Council for policy guidance?

General TAYLOR. That is correct.

Senator JACKSON. Did you find these papers gave you a clear and effective guidance?

General TAYLOR. It is hard to generalize. In many cases, yes; in other cases, no. The basic paper that really should guide the Military Establishment is called the basic national security policy. This is drawn up or at least revised every year. It really should be the starting point of the work of the Department of Defense. It includes not only guidance for the Department of Defense, but for other departments as well. But it is a document of primary interest to Defense.

However, many hard battles of compromise have taken place over its paragraphs. So in many cases it is very difficult to get clear guidance which will decide the inevitable divisions of opinion within the

Pentagon. For example, during the 4 years I was here, we had a division over massive retaliation versus what we call now a strategy of flexible response. It slowly built up. By 1958 it was a clear split right down the middle of the Joint Chiefs of Staff, crying for decision. It was never laid before the National Security Council as such but appeared indirectly twice annually. Once, when the revision of the basic national security policy was considered, where the general language was debated. Second, when the budget came up, which really was presumably based on the thought that inspires this particular paper. So at least twice a year the existence of this kind of split was apparent.

We had formal presentations of the two points of view before the NSC at the time of the consideration of the Defense budget. But in spite of this evidence of division the next year the basic national security policy document was not rewritten to decide the issue one way or another so we would not continue this particular kind of argumentation. In that sense I think I would be justified in saying we were not getting clear guidance in this area.

Senator JACKSON. Some witnesses before our subcommittee have taken the position that the NSC process should be more closely geared to the budgetary process. I wondered if you had any comments on that point?

General TAYLOR. I think to have any kind of realistic planning, or execution, one has to keep in mind the budgetary impact. As I mentioned before, there is at the present time no direct tie-in between national strategy and the budget. It is true a certain planning paper may carry an estimate of price and for that reason may be opposed by the Treasury or the Budget. But that fiscal commitment then is not carried over as a debit, so to speak, against the next budget. It stands on its own against all the other competing requirements for funds.

Senator JACKSON. The budgetary process should be closely related to the National Security Council decisions and long-range objectives. Otherwise the budgetary process becomes the final policy process, does it not?

General TAYLOR. The budget has to be decided on time every year. You cannot compromise with the budget. So when the budget is decided, consciously or unconsciously, countless other issues which have been hanging fire in debate are settled, sometimes without the knowledge of the authorities making the decision.

Senator JACKSON. The real problem is to coordinate the two processes more effectively.

General TAYLOR. That is right. It is a difficult problem.

Senator JACKSON. Coordinate the two processes at the NSC level, don't you think, in order to give the proper advice to the President?

General TAYLOR. I would not visualize moving the Federal budget into the National Security Council. It does not belong there. But the decisions taken by the National Security Council should be recorded, perhaps in the Bureau of the Budget, so that when the annual budget is being constructed, these decisions are brought out and are either implemented or consciously omitted.

Senator JACKSON. I agree. I would not suggest that we would formulate the budget in the NSC. I am talking about requirements. Assuming you have a long-range national strategy, then you have your requirements and priorities. My point is that the budgetary process should support those requirements and objectives. You agree with that?

General TAYLOR. I agree.

Senator JACKSON. Whether this should be done finally at the NSC level or directly in the President's Office is a matter that is not too important as far as you are concerned. The point is that those two processes must be brought together. Isn't that the general burden of your position?

General TAYLOR. I agree.

Senator JACKSON. As you know, the Operations Coordinating Board, the OCB, has the responsibility of following up the implementation of the national security policies. In your opinion has the OCB done a good job in this field? If not, where do you think the weaknesses lie?

General TAYLOR. I should be the first to say I am not an expert on the internal operation of the NSC. But I have been close to it and have seen the end product. I would say that the OCB in concept is good. You must have a followup agency. But the members are all senior people and very busy people. Furthermore, my understanding has always been that they were concerned with implementation only of overseas aspects of decisions taken, leaving all of domestic activities more or less without that kind of followup given the foreign activities. So I would say that because of its character as a body which meets only intermittently, because of the high rank of its members, and because of its restricted responsibility for followup, I would think that there could be an improvement in this particular area.

Senator JACKSON. Regarding the nature of the NSC papers—did you find that they were clear and unequivocal or did you find that there was substantial compromise for the most part in some of these papers?

General TAYLOR. Many times a great deal of compromise. I would make the same general criticism which I have often directed in the Pentagon to the Joint Staff papers. When a staff or subordinate committee has a tough problem, it is often much more useful to the decisionmaking authority to lay out the pros and cons rather than to come up with a single compromised recommendation. Many times the senior authority does not sense what is behind the compromise. So I think more emphasis on bringing up a clear statement of the pros and cons to facilitate decision on the part of the senior authority would be more helpful in many cases than compromised agreed papers.

Senator JACKSON. Is it possible sometimes to find sufficient compromise in these papers so that each service could look to the paper for support?

General TAYLOR. That was certainly true of the basic national security policy which we all quoted to support our several causes.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. You referred earlier, General, to the fact that no decision was made by the National Security Council, presumably, with respect to your theory of massive retaliation and the strategy of flex-

ible response. Would you say that the failure to arrive at this decision had an organizational basis?

General TAYLOR. Not entirely. I would say it could have been decided under the present organization, but this big gathering of the NSC does not lend itself to really hard study and discussion. My own picture of how to have settled the issue would have been for the President, the Secretary of Defense, and the Secretary of State to sit down and really talk this thing through, until the national policy aspects were decided. Then they would pass their decision to the National Security Council where the national strategic aspects would be pulled together. Then in turn the national strategic decisions would be passed to the military for development of the military strategy which would support the national strategy. At least that is the conceptual procedure that I would recommend.

Senator MUSKIE. Did I understand you to say that you believed this problem to have been included on the agenda of the National Security Council?

General TAYLOR. Never as such, although it might be said that the argument over certain changes in paragraphs of the basic national security policy paper did in effect require consideration of this basic problem. At no time was the issue isolated as a decision to be taken. Rather it appeared as a part of the procedure of changing of text of the basic national security policy.

Senator MUSKIE. Let me ask you a question that may be a little unfair. If the National Security Council had not been in existence, would you think that the top policymaking authority of the country would have been more likely or less likely to make a decision on this point?

General TAYLOR. Senator, I am afraid I could not answer that. If the NSC did not exist but if good staff work existed in the Federal Government, as one would hope, there would be ad hoc committees pulled together to deal with questions which now are put on the agenda of the National Security Council. I would say all these issues would be solvable without the National Security Council, but there would have to be a careful supervision of staff handling of problems which now are taken care of by the standard operating procedure of the National Security Council.

Senator MUSKIE. It sometimes seems to me, and this point has occurred to me more than once in the course of these hearings, that sometimes we overorganize. The result of over organization is to dilute our ability to come to grips with questions of this sort, and other important questions.

General TAYLOR. There is that danger.

Senator MUSKIE. Realizing that you have never been a member of the National Security Council, I would like to get your reaction to an observation that was made by William R. Kintner, formerly planning board assistant to the NSC. It seems to me to make a lot of sense but I have not been able to get a witness to agree to it yet. So I would like to ask it of you. It is on page 132 of the subcommittee's publication entitled "Selected Materials."

General TAYLOR. I have a copy here.

Senator MUSKIE. If you would not care to comment on it with respect to the National Security Council, you might be willing to simply as an observation on sound organizational principles. The quotation is:

One reason why the U.S. Government has not as yet evolved a more rational staff system for the top levels of its national security organization is the confusion that exists in many minds between the planning function at the national level and the operational duties of the executive departments. The various governmental departments have always been afraid that a staff at the President's level would assume some of their prerogatives and functions. They are perfectly willing to have the general planning function done by interdepartmental representatives, because they feel they can practically dictate the result of such planning. But planning accomplished by the interdepartmental system does not, and cannot, produce the integration or synthesis that is now so necessary. A total or overall approach to the problem represents much more than the sum of the individual contributions which the departments and agencies can give to it.

Senator JACKSON. Might I add this footnote to the statement:

In open session I referred to your recommendation for a better staff organization for planning and implementing national strategy and for verifying its execution. Revised procedures should include a tie-in between national strategy and national budget.

General TAYLOR. That relates to this subject we are discussing.

Senator JACKSON. I thought it did. Will you keep that point in mind when you respond to Senator Muskie's question?

General TAYLOR. I made the point in my prepared statement that there are really three pieces to this business: planning, execution, and followup. Under the present NSC organization, the planning board does the first function. Then the departments take over the execution and the OCB, presumably, checks upon results but they don't check on the domestic end of it, unless the procedure has been changed. That is the area where I think we are defective.

My own thought is, and I would put this out rather diffidently because it would have to be strutinized by the people who have worked in the heart of the NSC, that you need a permanent NSC staff pulled together more tightly than now, which would do the planning and followup on the implementing actions of the departments. I think execution will always properly remain with the departments as long as we have our present kind of governmental organization.

We need a permanent NSC staff which will perform the followup, and have full authority to look over the shoulder of the departments and require them to report on execution. That would be my approach.

Senator MUSKIE. It is important, as you have so well brought out today, that we know the military implications of our political commitments. Our planning must be geared to that. Insofar as I have been able to discover in the course of these hearings, there is no followup on that point. You have stated that today.

I am reminded of what the grasshopper said to the caterpillar: "All I do is set policy around here." There is no effort to make sure that the caterpillar is able to measure up to the policy. It seems to me that is a very important impact of the testimony we have had here. Even those who feel that our organization is adequate and reasonably geared to our national needs, agree that there is not effective followup as between the planning operation and the implementation. You are

the first witness that I recall who has assigned a reason for this insofar as the military consequences are involved, and suggested this functional approach to the budget. So it seems to me that what we have to tie together is planning, budget, and followthrough in the military field. I don't think that these three things are being done adequately at the present time. This seems to be the burden of your testimony.

General TAYLOR. I think the need for followup applies to more than just the military. I think all the departments that have a role to play in our national strategy need to be followed up just as the Department of Defense needs a followup.

Senator MUSKIE. Getting back to something a little more general for a moment, you have emphasized several times today that our planning ought to be geared not only to military results but also to political, economic, and psychological results. Is it your feeling that NSC should have this kind of broad jurisdiction?

General TAYLOR. Yes. Under the present organization, it is the element in government that should make national strategy, which means using our assets of all types to gain our national ends, to execute national policy. That was, I think, the guiding purpose in the creation of NSC. I think its merit or demerit should be measured very largely by its success in producing an integrated national strategy.

Senator MUSKIE. Apparently, it has made no effort to work in this field.

General TAYLOR. I wouldn't say that. I think you will find a lot of work and thought have gone into it, but I would still question whether the end product is as good as it should be.

Senator MUSKIE. That produces no end product except a military one at the present time.

General TAYLOR. In the "Basic National Security Policy" there are parts of the document which are directed toward psychological warfare and economic policy. Thus, the recognition of these factors other than military is made in the document. But again I raise the question, is the followup sufficient to be sure that these statements of good intention are carried out?

Senator MUSKIE. To be specific, would you say that the National Security Council ought to deal with the question of the national effort in the educational field?

General TAYLOR. It can't ignore it, certainly. That is a matter of domestic internal policy and would normally, I would say, fall outside of the competence of NSC. On the other hand, I have heard discussions in NSC which seemed to be quite appropriate, of the shortage of scientists and what might be done to stimulate interest in that particular field of education.

Senator MUSKIE. So there is a differentiation to be made here between study of political, economic, and psychological elements which have a direct bearing on our military capacity, and the broader more social aspects of those questions.

General TAYLOR. That is right. There is a gray area there which I do not think you can ever entirely define.

Senator MUSKIE. Would you recommend that NSC go into this gray area?

General TAYLOR. I would not put them in the education field as the major guiding agency. On the other hand, I would not discourage

their recognition of the fact that the educational program of the country does have an impact on many of our other national programs.

Senator JACKSON. Especially as it relates to long-range planning to sustain a national strategy which calls for the addition of trained people in certain categories.

General TAYLOR. That is right.

Senator JACKSON. Would that be a fair statement?

General TAYLOR. Yes. Whenever a matter is a factor which impinges on the execution of the national strategy it should fall within the scope of NSC.

Senator MUSKIE. I am intrigued by this suggestion of yours for a political military bookkeeping system. I was wondering if you had in mind any means for implementing this organization.

General TAYLOR. Yes; I have. Limited war planning, in my judgment, has been deficient in the past and largely because of the attitude taken by JCS. We have never had any centralized limited war planning at the Pentagon level. Most of this planning is done in the field by unified commanders. For example, our commander in chief in the Pacific looks over all the wide area of his responsibility and conjures up possible situations which might arise and keeps in his drawer certain military plans for dealing with them. The Joint Chiefs of Staff can, of course, get the copies of these plans and bring them to the Pentagon, but we rarely do. Since the commander usually does not have enough forces to execute even one of these plans, the Joint Chiefs give him a long list of forces which are in the United States which might be available to him in an emergency.

So what he does is simply look at that list and then say: "For plan A, I would use such and such units to constitute my task force." Perhaps for that one plan he would need all the forces on the Reserve list. Meanwhile, in Europe, the European commander has been given the same set of possible reinforcements and he is building his plans on the use of the identical ships, planes, and divisions as the man in the Pacific.

At no central point do we ever bring in all these plans together and determine the adequacy of our forces to execute contingency plans. We don't pose such questions as to how to cope with situations A, C, and X, which might be concurrent. That kind of centralized bookkeeping is not done but could be done and should be done by the Joint Chiefs. If so, they would usually find that the existing forces are not sufficient even for a conservative estimate of the possible obligations arising from political commitments. With proper bookkeeping, they would have a basis for saying to the budgetmakers, "Look, we are asking for these forces in order to be able to execute certain specific plans which obviously may have to be implemented." With such centralized bookkeeping by the Department of Defense, it would be possible to tell the Secretary of State exactly what the military can or cannot do. As we presently operate, I do not think it is an exaggeration to say that no Secretary of State since I have been around has ever known how many division-months of combat the U.S. Army is capable of fighting. He knows there are 870,000 men in it. He knows there are 14 divisions. But what does that mean in warmaking capability?

That fact has never been clearly presented to a Secretary of State to my knowledge, so that he may know exactly what he can and cannot do with the military tools at his disposal.

Senator MUSKIE. If we can get top policymakers of the Government to agree that this is a worthwhile objective, organizationally, how would you set it up as between State and Defense?

General TAYLOR. It would not be difficult at all.

Senator MUSKIE. Simply a liaison function?

General TAYLOR. I would visualize a recurrent meeting between our senior State and Defense representatives in the meeting room of the Joint Chiefs of Staff. We would brief the Secretary of State and his principal assistants and show them exactly what we can do militarily in the year of our Lord 1960.

Later, in another meeting, we would consider what we can probably do in 1963 as the result of the 1961 budget. You have to view the situation with two focal lengths, so to speak. The focal length of this year, the current capability, and then the focal length which shows what we are creating by the budget for that particular year.

Senator MUSKIE. If you would indulge, and you say you have to the extent that it is possible for an individual, in this political-military bookkeeping, and you add up all the requirements, you know you cannot get the astronomical forces that are necessary, then on what basis do you compromise?

General TAYLOR. On commonsense and feasibility. For example, I based the limited war requirement of the Army on being able to close a corps of three divisions in an overseas theater in 2 months, and to have the necessary logistic backup to fight those divisions until a supply pipeline was established. That was taken merely as a commonsense objective, something more than we could do, but a goal far enough in advance to give us something to strive for regardless of whether it was theoretically adequate or not.

Senator MUSKIE. Before you compromise—I guess “compromise” is not a good word, but accommodate your political programming—isn’t it necessary that State give you some order of priorities with respect to the political commitments?

General TAYLOR. They never did. I refer in my book, I believe, to the attitude of the Department of State toward our very hot arguments in the Department of Defense as to what the Japanese call a fire on the other side of the river. It was viewed as something that really didn’t affect State particularly. It was an inner defense squabble.

Senator MUSKIE. That raises another question with respect to modernization of our weapons.

I have had limited exposure to this, but such exposure as I have had suggests to me that it is almost beyond debate that we ought to modernize as quickly as possible.

Why haven’t we? What is the other case? Since you are not an advocate of the other case, perhaps you would not care to try to state it.

General TAYLOR. It is the budget. To start with, the Department of Defense knows it is going to get about \$40 to \$41 billion. Then Defense budgetmakers have to consider the competing requirements. In order to make progress in the general war, atomic forces, in the big missile field primarily, tremendous sums have to be reserved.

So when that requirement is satisfied—and we have been fascinated by that requirement to the extent of wearing blinders on the side of limited war—there is just not enough money left or has not been in the past to modernize the Army and the Marines and those portions of the Air Force and Navy involved in limited war operations.

Senator MUSKIE. So that priority is assigned within the Department of Defense and not by NSC?

General TAYLOR. No. NSC has established a climate favorable to that kind of budgeting by the language in which they have expressed the basic national security policy. The budget itself is presented to them without any real discussion of strategic implications, as if it is obviously the way to use our resources.

Only in recent years have there been dissenting voices, initially represented by the Army, lately by the Army, Navy, and Marines, saying that the unbalanced effort between limited war and general war should be modified.

Senator MUSKIE. It strikes me that this is the very kind of decision that I would expect to have considered by NSC, the question of the pace at which we gear ourselves to meet limited war situations. It is your impression that they have not done this specifically?

General TAYLOR. Not in the sense of a political-military book balancing to verify that we do have means to cope with probable limited war situations. That has never been done in my time.

The NSC members hear the debate on the language of the "Basic National Security Policy," which is in general language which only the experts really understand. That debate takes place usually about May. Then the budget guidelines are issued which should produce military forces compatible with the strategic concept of that basic document.

Then the budget cycle starts and along about November the budget is ready to be presented to the National Security Council where it is taken pretty much on faith without very much question about strategic implications.

Senator MUSKIE. We have had impressed on us over and over again that constitutionally the President has complete and ultimate authority with respect to our national defense and with respect to our foreign policy.

Of course, we in Congress cannot by any legislation undertake to set up organizations within this sphere, use organization to dilute the President's authority. So really what we are talking about is the extent to which the President is interested in getting advice and recommendations on this level.

General TAYLOR. That is correct. Of course, none of us knows how many private discussions have taken place between the President and his senior officials. It never comes out in the National Security Council.

Senator MUSKIE. I feel a little foolish in asking this question, but do you think that the President himself personally has considered this question of the pace at which we modernize the Army's weapons?

General TAYLOR. I did not get the start of the question.

Senator MUSKIE. Is it your impression that the President himself personally has considered this question of the pace at which we ought to modernize the Army's weapons?

General TAYLOR. I am sure he did in recent years because the issue was laid out very clearly in our budgetary discussion.

Senator MUSKIE. So whether or not this went through NSC machinery, it did get to the President.

General TAYLOR. It always got before the President at the time of the presentation of the budget where the services were able to comment on the effect of the budget on their own service.

Senator MUSKIE. One final question: This discussion of the modernization of our weapons raises another question that has been asked several times. It is your feeling that strongly held differences of opinion within the Department of Defense generally rise to the level of the National Security Council discussions?

General TAYLOR. No; they generally do not. Again I recall, I believe it was in my second year as Chief of Staff, Mr. Dulles came to me and said that he understood that I was defending a minority position in the Joint Chiefs and he would be interested in hearing it.

I said I would be very happy to discuss it with him but I would like him to get the concurrence of the Secretary of Defense. Whether he ever approached the Secretary of Defense I do not know, but I was never called upon to give the discussion.

Up until 1957 most of this division was submerged in the Department of Defense, and only in the debates over the revised language of the "Basic National Security Policy" in 1957 and 1958 did this split come out in the open.

Senator MUSKIE. Do you think that this was good or bad?

General TAYLOR. I would say it was bad insofar as this major question was concerned. But there are plenty of issues in the Pentagon that ought to be settled in the Pentagon. The vast majority should.

Here was the question of whether we were placing too much reliance on weapons of massive destruction for our national security. I cannot imagine a more important question which should have been met squarely and answered squarely.

Senator MUSKIE. Whether or not this kind of selectivity is developed with respect to NSC consideration of differences of opinion of the Department of Defense really depends not on any organization that you can set up, but upon the judgment of the Secretary of Defense.

General TAYLOR. And of the President. We cannot forget the National Security Council is purely advisory and can be used in any way that the President sees fit.

Senator MUSKIE. No matter how much we disagree with the President as to how he ought to use the NSC, and no matter how much we might wish we could encourage him to use it as we thought he should, he does not have to.

General TAYLOR. No; I would say this is not a legislative issue.

Senator JACKSON. Our minority counsel, Mr. Pendleton.

Mr. PENDLETON. General, what was the origin of this doctrine of massive retaliation?

General TAYLOR. It really started back in 1945 when we dropped the first two atomic weapons on the Japanese. I think all of us were tremendously impressed, perhaps overly impressed, with this weapon which we called the absolute weapon for a while.

I think most of us were a victim of the illusion that by these great weapons we could impose a Pax Americana on the world. However, I would say massive retaliation became a formalized doctrine with the advent of the "New Look" in 1953. Early documents of the "New Look" put into cold print definite statements that we intended to use these big weapons—where, as, and under the circumstances which we would choose. Mr. Dulles gave his name to that doctrine.

Senator JACKSON. Time and place of our own choosing.

General TAYLOR. That is right. As a very broad man, he changed his views and later admitted that while massive retaliation might have been good at a time, it had ceased to be valid. That was his opinion in 1959.

Mr. PENDLETON. These documents were what—papers before the National Security Council?

General TAYLOR. Generally it was this one big paper, the "Basic National Security Policy," which as the name suggests, is the vehicle for guiding agencies of the Government toward the attainment of security objectives.

Mr. PENDLETON. Once this doctrine has been formalized in this manner, did the Joint Chiefs understand that this was the military policy or the broad strategy within which they would operate?

General TAYLOR. It was understood only in the sense that the budget was always consistent with it. But there was always enough language in the National Security Council paper to give grounds for argument which my predecessor, General Ridgway, used very strongly and ably in opposition. I took generally the same position because I agreed with the soundness of his views.

The paper was often ambiguous. For example, it would say we will depend upon these weapons of massive retaliation, but at the same time will maintain flexible mobile forces capable of coping with lesser situations in the world. Paragraph (a) would support the need for general war forces and paragraph (b) the need for limited war forces but the budget would not provide for both. The ground for argument was there all the time.

Mr. PENDLETON. The case was arguable but was there ever any doubt in your mind once that doctrine was adopted that that was the established military policy?

General TAYLOR. Yes. Because the Government immediately failed to follow it. The ink was not dry on the "New Look" before we had the situation in Vietnam where massive retaliation obviously was not an acceptable course of action.

Other failures of the policy arose. Korea was an example of the failure of our atomic monopoly to maintain the peace. So we had these historical events which stultified the doctrine while the arguments in the NSC were going on.

Mr. PENDLETON. Are you saying that the policy, in your opinion, was not adequate to the crises which arose, or that there was a failure to implement that policy? Was there ever any doubt in your mind that was the policy?

General TAYLOR. Yes; because our Government did not follow it. Our leaders said they were going to base their action on massive retaliation, but they did not do it when a specific case arose, nor indeed should they have done it.

Senator JACKSON. That is right. You were referring to Vietnam, and you were referring to the tragic situation that the French found themselves in in having to move out of North Vietnam.

General TAYLOR. That is right.

Senator JACKSON. And discussion was underway to use atomic weapons if necessary.

General TAYLOR. That is right. That is the incident I am referring to.

Senator JACKSON. Excuse me, Mr. Pendleton.

Mr. PENDLETON. It is my impression from reading your book that you waged a struggle, which was fairly unsuccessful, to convince the Joint Chiefs and the President to change this policy.

General TAYLOR. I eventually got the Navy and Marines with me. That was quite an achievement.

Mr. PENDLETON. Yes; I noticed that. I thought that was a very impressive conquest to your point of view.

What I cannot reconcile in my thinking is how you could clearly have seen an objective, which was to change this policy, and at the same time be in doubt that this was the policy.

General TAYLOR. Because we knew this. We had a written document which was supposed to put into clear language what our military policy should be. That language was compromised—was fuzzed in many paragraphs.

So I could find support in this document but the other side could also. We both ended up in a dialectical impasse. But year after year the budget was being cast in complete consistency with massive retaliation.

There was no doubt that we were creating forces which imposed a strategic doctrine on us which I felt to be disastrous to our country.

Mr. PENDLETON. In other words, the budgets as they came at that time were consistent.

General TAYLOR. No question about it. Budgets still are.

Mr. PENDLETON. In several places here in your book you do refer to this rather specifically. You say on page 18 that:

The adoption of the "New Look" was one of the most significant actions of the new Eisenhower administration. It established the direction which U.S. military policy has followed from 1953 to the present day.

Then you say on page 26 that:

In January 1955, the National Security Council made its first comprehensive review of the 1953 statement of the "New Look."

That is massive retaliation?

General TAYLOR. That is right. But the 1955 text made very significant variations from the orthodox "New Look" which encouraged me very much, as I think I mentioned further on.

Mr. PENDLETON. Yes; you do, on page 29. You said that:

It was following my return to Japan that I first saw the 1955 text of the "Basic National Security Policy." Struck by the breadth of its language and the degree of departure from the dogma of massive retaliation—

and so on.

It seems to me that, although there may have been some people in doubt it was certainly clear to others that this doctrine, good or bad, was the established military policy of the United States at that time.

General TAYLOR. It was clear to those who wanted to read it that way, and many wanted to.

Mr. PENDLETON. Let us leave it that it was arguable, depending on your point of view.

Thank you, General.

Thank you, Mr. Chairman.

Senator JACKSON. Are there any further questions?

If not, thank you, General Taylor. Once again I want to express to you my appreciation for taking time out to assist this committee in its study in an all-important field. I commend you most highly for the clear and unequivocal statement of your position which I have found very helpful.

General TAYLOR. Thank you, Mr. Chairman. It is a pleasure to have been here. I wish all good things for the results of this committee.

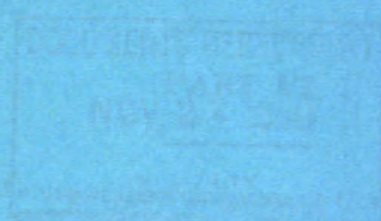
Senator JACKSON. Thank you very much.

(Whereupon, at 4:15 p.m., the subcommittee adjourned, to reconvene at the call of the Chair.)

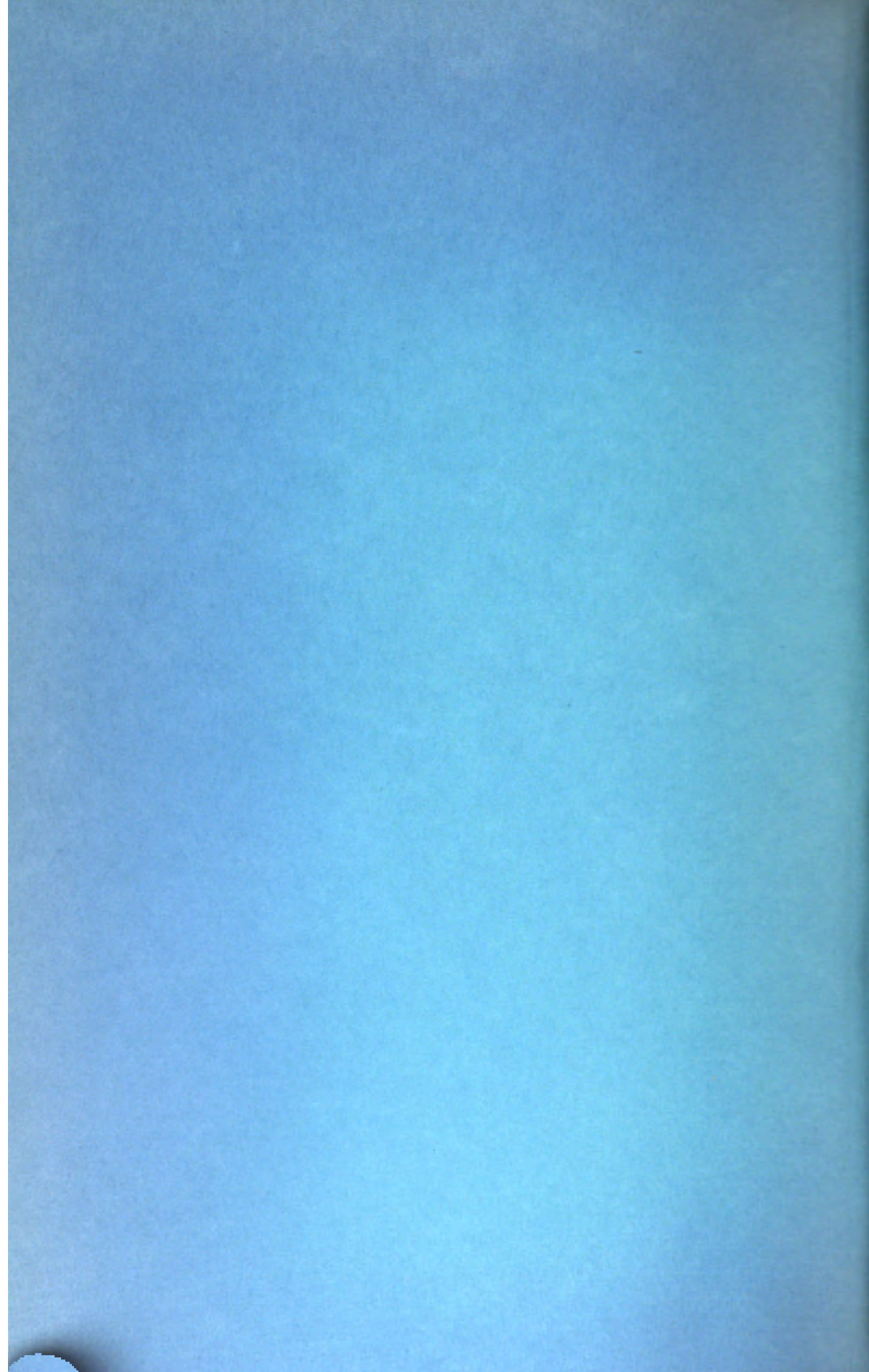
×

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MATTERS
OF THE
COMMITTEE ON
GOVERNMENT OF THE
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS

REPORT
OF THE
SUBCOMMITTEE ON
NATIONAL POLICY MATTERS
OF THE
COMMITTEE ON
GOVERNMENT OF THE
UNITED STATES SENATE
EIGHTY-SIXTH CONGRESS



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON, D. C.



U.S. Congress Senate

ORGANIZING FOR NATIONAL SECURITY

THE DEPARTMENT OF STATE, THE POLICY PLANNING STAFF,
AND THE NATIONAL SECURITY COUNCIL

HEARINGS

— 5 — BEFORE THE

SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY, . . .

OF THE

COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS,
SECOND SESSION

MAY 26, JUNE 17 AND 27, 1960

DOCUMENTS DEPARTMENT
PART VI
NOV 22 1960

Printed for the use of the ~~Committee on~~ ^{Library} Government Operations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1960

COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. MCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, JR., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

HOWARD E. HAUGERUD, *Professional Staff Member*

BREWSTER C. DENNY, *Professional Staff Member*

EDMUND E. PENDLETON, JR., *Minority Counsel*

CONTENTS

MAY 26, 1960

	Page
Opening statement, Senator Henry M. Jackson.....	801
Testimony of George F. Kennan.....	802
Executive session testimony of Mr. Kennan.....	843

JUNE 17, 1960

Opening statement, Senator Henry M. Jackson.....	851
Testimony of Paul H. Nitze.....	853
Executive session testimony of Mr. Nitze.....	875

JUNE 27, 1960

Opening statement, Senator Henry M. Jackson.....	885
Executive session testimony of Robert Bowie.....	886

THE DEPARTMENT OF STATE, THE POLICY PLANNING STAFF, AND THE NATIONAL SECURITY COUNCIL

THURSDAY, MAY 26, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met at 10:30 a.m., pursuant to call, in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Also present: Senators Stennis, Robertson, and Mundt.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster C. Denny, and Richard S. Page, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The committee will come to order.

The Subcommittee on National Policy Machinery is beginning this week a series of hearings focused upon the National Security Council and its subordinate organizations, and the problems of coordination between the Departments of State and Defense. These hearings have a triple aim: First, to determine whether the policymaking machinery at the highest levels of our Government is now adequate to identify and plan ahead on the critical issues of national survival; second, to determine whether this same machinery promotes effective coordination of policies; and third, to make constructive recommendations for improvement when necessary.

Earlier this week, on Tuesday, the committee held an executive-session hearing on the National Security Council. Testimony was taken from two former officials who served as special assistants for national security affairs to President Eisenhower, Brig. Gen. Robert Cutler and Mr. Dillon Anderson. Next week and the weeks to follow, the committee will continue to examine these important problems of high-level policy formulation and coordination.

Among the witnesses who have already accepted our invitation to testify are the Secretary of State, Mr. Herter, and the Secretary of Defense, Mr. Gates.

Recent events have again focused attention on the problems of policymaking and upon the coordination of policy determination and policy execution throughout the complex structure of departments and agencies concerned with the national security program.

In this connection, I might say that specific testimony on the U-2 incident, as it pertains to the national securitymaking process, will be taken in executive session.

Our witness today is one of several distinguished citizens who has urged that we examine, as he put it, and I quote, "in a spirit of courageous self-scrutiny" the methods of national policymaking, with a view to identifying the governmental practices and procedures which need to be improved.

The subcommittee welcomes to its witness-chair this morning George F. Kennan, permanent professor at the Institute for Advanced Studies at Princeton, N.J.

Over a period of 25 years Mr. Kennan served with great distinction in the Department of State and its Foreign Service. During the critical years of the postwar period he was Director of the Department's Policy Planning Staff. Before his retirement in 1953 he served as Ambassador to Russia. Since that time Mr. Kennan has continued his distinguished career as a teacher, historian, and a frequent source of provocative and stimulating comment on the international issues which confront us. His book "Russia Leaves the War" won the Pulitzer prize for history.

As the members know, we have agreed with the President that testimony by present or former Government officials who have served on the National Security Council or its subordinate bodies, regarding the National Security Council and its subordinate machinery, will be taken first in executive session.

I believe, Professor Kennan, we sent you a copy of the guidelines, and I assume, of course, that you are familiar with them.

Mr. Ambassador, we are delighted to have you with us today, and you may now proceed with your prepared statement.

**STATEMENT OF HON. GEORGE F. KENNAN, FORMERLY DIRECTOR
OF THE POLICY PLANNING STAFF, DEPARTMENT OF STATE,
AND U.S. AMBASSADOR TO THE SOVIET UNION**

Mr. KENNAN. Senator Jackson and members of the Subcommittee on National Policy Machinery, I appreciate your courtesy in inquiring into my views on the subjects which you have under examination, and am happy to contribute what I can.

I have, I believe, particular reason to welcome the effort this subcommittee has undertaken to reexamine the effectiveness of our present governmental machinery. For many years I have felt that organizational deficiencies had a much greater relative importance in hampering our performance as a world power than has commonly been realized in this country. Even if we had the most excellent conceptual foundation for an American foreign policy and the greatest mastery of diplomatic method in our external relations, I feel we would still find ourselves seriously hampered, as things stand today, by the cumbersomeness of our governmental machinery and by the inappropriateness of much of it to the purpose it is supposed to serve.

The appalling growth in numbers of personnel and the seemingly endless proliferation of competing agencies and committees has appeared to me to be only in minor part a response to real needs and in major part the result of some unhealthy internal compulsions, the source of which no one has as yet fully identified and the cure for which has certainly not yet been found. These are the reasons why I feel that the work this subcommittee is performing is of exceptional

importance, and I should like, if I may, as a private citizen, to express my high respect for the insights that brought the members of the subcommittee to this work and my appreciation for the determined effort you have put forward to get to the bottom of these baffling but important problems.

You, Mr. Chairman, were kind enough to suggest, in the letter inviting me to appear here today, certain of the questions on which you and your colleagues would welcome my testimony; and I thought it might save your time if I were to summarize at the outset my views on some of these points.

1. THE ROLE OF THE SECRETARY OF STATE IN THE INITIATION AND DEVELOPMENT OF NATIONAL SECURITY POLICY

It is my view that there should be some one senior official in the executive branch of the Government who could act as the President's principal executive agent for all matters affecting the national security and, indeed, our relations with the outside world generally. This would include military as well as other matters.

There are, of course, a number of alternative solutions of this problem. All of these have both advantages and disadvantages. To my mind, the most desirable of these alternatives would be that the Office of the Secretary of State should be recognized as enjoying a certain primacy in all matters of external relations, including the national security. Such primacy ought properly to be assigned, it seems to me, to the office which has primary responsibility, anyway, for the conduct of the Nation's foreign relations on the political level.

There is, as I understand it, a certain historical justification for such a distinction both in the title "Secretary of State" itself, which suggests that the office is not one limited merely to the conduct of foreign affairs, and in the fact that the Secretary of State was designated as the keeper of the Great Seal of the United States.

In expressing this view, I recognize that the Secretary of State, even under such an arrangement, would remain essentially an assistant of the President. He could not absolve or relieve the President of any of his present constitutional responsibility in this field. He should, however, if given such position and authority, be able to relieve the President of a good deal of the executive burden now connected with this responsibility, and to assure a better coordination of military policy with national policy generally than we have had in recent years.

If this expedient were to be adopted, one might well wish at some stage to supplement the office of Secretary of State with that of a Secretary for Foreign Affairs, as suggested by Mr. Robert Lovett in his recent testimony before this subcommittee. But this expedient should not be hastily adopted, and the arrangement should first be given a trial without it.

Among the organizational evils to which our Government has been vulnerable in recent years has been a tendency to the inflation of titles, giving more and more lofty names to positions which are really much more subordinate than the title would imply. I suspect that we have already been too prodigal in the dispensing of Cabinet status, and we should certainly not add another official of Cabinet rank unless we find this to be absolutely necessary.

A basic principle of organization which has often been ignored in our Government is that there are narrow limits to the number of people who can be expected to report personally to any single superior officer, be it the President or a Cabinet Secretary. To create a Cabinet larger than the President can effectively use as an intimate agency of his authority is merely to impair the value of the Cabinet as an institution. These are the reasons why, as it seems to me, we should be very circumspect about adding further Cabinet offices.

2. WHAT IS THE BEST WAY OF PROVIDING FOR THE POLICY-PLANNING PROCESS IN THE STATE DEPARTMENT?

I believe that the policy-planning process as established by Secretary of State George C. Marshall in 1947, and as maintained until the end of 1949, was essentially sound. Prior to the establishment of the policy planning staff, only two officials in the Department of State were competent to take into account, in their advice to the Secretary, the entire range of the problems of our foreign relations. These were the Under Secretary of State and the Counselor. Neither of these officials had both the time and the facilities to give careful and exhaustive study to long-range problems of policy or to problems of exceptional intricacy, involving the orderly assembling of information from a wide variety of sources. All other officials of the Department were able to advise the Secretary only from the perspective of a limited geographical or functional competence.

This presented a serious problem for the Secretary of State. If he asked the various geographic and functional offices to reconcile their views by the process of compromise before advising him on a given problem, the issues were apt to be obscured before they ever reached his attention. If they presented their conflicting views to him without prior reconciliation of them, the task of identifying the elements of conflict and determining to what extent they represented disparities of information, to what extent parochial concerns of the respective office, and to what extent important questions of principle, was a task for which he himself lacked the leisure and for which he required an independent staff. It was this gap which the policy planning staff endeavored to fill during the period of my incumbency as its director.

While under no illusions that our work could not have been improved, I felt—and Secretary Marshall subsequently expressed himself as being of this opinion—that the staff was useful in meeting this need. Its greatest usefulness, as I saw it, was that it provided the Secretary of State with a continuous series of advisory opinions, representing the expression of a consistent and disciplined point of view, based on the obligation to consider all aspects of national policy, and applied to a variety and succession of international problems.

Obviously, the usefulness of such a staff would be greatly affected by any decisions taken with respect to the office of the Secretary of State itself. If the Secretary should be given a position of primacy in external relations and matters of national security as I have suggested, then it is particularly fitting that the policy planning work be done by a unit directly advisory to him.

Let me stress that the sort of staff I have in mind cannot be effectively replaced by a group of officials having other competencies and

responsibilities and meeting only occasionally in an ex officio capacity. To be effective in the manner in which it was conceived by General Marshall, such a staff would have to be composed of individuals devoid of any other institutional loyalty or disciplinary relationship within the Government, serving only the official to whom their advisory capacity relates, and able to give their opinions with the most rigorous frankness and independence, uninhibited by any ulterior obligations or interests.

3. WHAT ARE THE PROBLEMS AND POSSIBILITIES IN THE USE OF EXPERTS AND CONSULTANTS IN POLICY PLANNING IN STATE AND DEFENSE?

There is, of course, real need from time to time for the consultation of outside experts in the work of policy planning. Where this need exists no opportunity should be neglected to enlist this sort of assistance. The services of such people should be utilized in such a manner as to make most economical use of their time and that of the Government officials involved. In particular, care should be taken not to take up the time of consultants and of staff members by personal meetings until all available written evidences of a consultant's views have been carefully studied and taken into account.

However, it is important to bear in mind that the function of such consultants is to help make the responsible governmental judgment an informed one, not to substitute for it. The consultant must not be formally relied upon to tell what the answer is; he must be asked to give information and opinion which facilitate decision on the part of those who bear the governmental responsibility for coming up with that answer.

4. IN WHAT WAY MIGHT OUR FOREIGN SERVICE BE BETTER PREPARED AND RECRUITED, ESPECIALLY IN THE LIGHT OF THE NEED FOR UNDERSTANDING BY CAREER OFFICIALS OF POLITICAL-MILITARY-SCIENTIFIC FACTORS?

I respond to this question with some hesitation, for it is now some years since I left Government, and I am not fully informed about present procedures.

I have had misgivings from the start about the soundness of certain features of the reform conducted some years ago in the recruitment and organization of the Foreign Service, and about our subsequent practices in this respect.

First of all, I have the impression that the Service is overstaffed and that we take in too many people.

Secondly, I think the Service should not include people who, while they may be technical experts in some specific field, lack the broader background of education and character necessary for foreign service work generally.

Thirdly, I question the adequacy of an entrance examination which, as I understand it, includes no question of prose composition and thus fails to test adequately the candidate's ability to express himself clearly and effectively in his own language, which is also a test of his ability to think clearly.

I might add here, incidentally, that the essential of the diplomatic function as seen by a number of people who have thought long and carefully about it and written about it—and this is a view with which I associate myself—the essential of this function is the assurance of the utmost accuracy of communication between governments. That is the deepest and most important function of the career diplomat, and if he doesn't know his own language and cannot write it clearly and accurately, he cannot perform this function.

Senator JACKSON. The repercussions that come from such a failure are too well known to elaborate.

Mr. KENNAN. Precisely.

Senator ROBERTSON. As long as the witness is pausing in his formal statement, I regret that I have to leave in a few minutes to attend a conference on the Treasury and Post Office bill, but I have been very much interested in what Ambassador Kennan has to say about this Policy Planning Board. Since I have reason to believe that the cold war will last for quite a while and it may be intensified, I fully endorse his proposal for a group of dedicated, highly competent experts to analyze and present first to the Secretary of State and, through him, to the President their views on our policy.

Thank you. And I am sorry I have to leave.

Senator JACKSON. Thank you, Senator Robertson.

You may resume, Professor Kennan.

Mr. KENNAN. Fourthly, I have the impression that we go too far in emphasis on broad geographic distribution. I am referring here to distribution and selection of candidates for the Service.

Senator JACKSON. You mean the geographical quota system?

Mr. KENNAN. That is right.

While I would like to see the Service as representative as possible of all geographic regions and professional sections of our country, I do not feel that the standards of admission, either educational or in point of character and personality, should be in any way sacrificed to the achievement of this goal. The concern of those who control admissions to the Foreign Service should be to see that we find the people best qualified for the performance of the functions of the Service, and this effort should not be impaired by making a fetish of geographic distribution. In particular, it should not be held against candidates that they have attended specific institutions or come from specific parts of the country. This last is a form of negative discrimination no less invidious than would be a discrimination on behalf of these people.

Fifthly, the system of security controls, as I recall it from own most recent governmental experience, seems to me to have been poorly conceived, in some respects illogical, overly mechanical, humiliating, and in many instances discouraging to the individual officer. I am unwilling to believe that some better means could not be found to assure the loyalty and reliability of Foreign Service personnel: means which, without in any way weakening the national security, would inspire greater confidence in the people themselves, would involve greater recognition of demonstrated loyalty and devotion to the Government's interests, and would place greater weight on the opinions of superior officers who have known a member of the Foreign Service in his daily work, and less on the opinions of security agents whose

identity is often unknown to the subject himself and who have no intimate acquaintance with either the subject's personality or his substantive work.

I am frank to say that I cannot conceive of an effective Foreign Service otherwise than as a gentleman's service, not in the sense that it would be based on distinctions of birth or social status, but in the sense that extensive reliance would be placed at all times on the honor and the sense of obligation of the individual officer himself, and he would be treated with the confidence and tact and consideration customary in circles where high standards of honor and responsibility are assumed to prevail. You cannot treat people like crooks and expect them to react like enthusiastic, high-minded public servants.

I deplore in particular the compartmentalization which makes certain people responsible for the substantive aspects of a man's work, and others responsible for matters of his loyalty and reliability. I believe that people can be usefully looked at only in their entirety, as whole personalities; I do not believe that the various aspects of character and personality can be separated when it comes to judging a man's usefulness to the Government in any respect.

With particular relation to the range of knowledge of Foreign Service officers in political, military, and scientific fields, I consider that all Foreign Service officers ought to pursue, particularly in the first 10 or 20 years of their service, the effort to broaden their general educational background; that it should be the duty of the Department of State to encourage and help them in this respect; and that for this purpose there should be occasional periods of in-service educational training along the lines of those now provided for a few officers by the National War College and other service academies, but embracing all officers and not just a highly selected minority.

5. TO WHAT EXTENT DOES THE COMMITTEE SYSTEM AS IT NOW OPERATES COMPLICATE AND IMPEDE DECISIONMAKING IN THE NATIONAL SECURITY AREA?

It is my opinion that the committee system as it now operates complicates and impedes very seriously decisionmaking in the national security area. We are confronted here with what appears to me to be some very basic misunderstandings and malpractices in the use of advisory committees. The greatest of these faults is the setting up of committees in which no one person has the basic responsibility for decision and where each participant has in effect the power of veto over the committee's findings. We will not, I believe, get away from this evil until we adopt a system of rigorous personal responsibility down through the entire machinery of these branches of government. The designation of such responsibility would in many instances have to be arbitrary, but even an arbitrary designation of major responsibility would be better than none at all.

Committees could and should be formed or invited to assemble only under the chairmanship of an official who has been given primary responsibility for the question or questions under examination. It might be made incumbent on the chairman, when the committee has completed its work, to report dissenting opinions along with his own. But he should bear full responsibility for the recommendation made,

and should not be bound in this respect to achieve either unanimity or majority approval of the members of the committee.

The present system leads to endless compromises, both of substance and of language, with the result that these committees, operating on the basis of the negative veto, often come up with compromise recommendations weaker than any of the conflicting points of view originally put forward around the committee table. It would have been better, in many instances, to take the original view of any one of the participants than to attempt to work on the basis of the compromise language finally produced. The reason why this cannot be done under the present system is that there is no one to decide which of these views to take; and if the disagreement is bucked to the next higher level, the result usually is that the same process of compromise is merely repeated there.

One great need which this reform would serve would be to save some of the loss of people's time involved in these committee meetings. A chairman who has the power to decide something can conduct a meeting with dispatch, obtain the views of others present, make his decision, and be done with it. Meetings under the present system are endlessly time consuming, so much so, I might add, that I have often thought that in this machinery of the Department of State a tremendous proportion, well over 50 percent, simply is absorbed in the friction of the machinery itself and is lost to the end product.

It is often argued that the replacement of the present committee system by a system of rigorous personal authority and responsibility would be undemocratic. In my opinion, this view involves a total misconception of the nature of the executive branch of the Government, and a misuse of the term "democracy." It is here, on Capitol Hill, where parliamentary principles have their place. The executive branch is not supposed to be a political community. Its officials are there to serve the President and to help him in the exercise of his constitutional authority. Whatever results in the fragmentation and obscuration of that authority, as does the present committee system, is surely not serving in the best possible manner the purposes of the Constitution.

6. IS THERE A DANGER THAT WE ARE NOW OVERORGANIZED?

I cannot speak for the Defense Department, but the Department of State and the Foreign Service, as I knew them when I left Government, seemed to me to be seriously overorganized. I have heard of nothing to suggest that this condition has been substantially corrected to date.

I can offer only hypotheses as to where the root of the evil lies.

The first of these would be in the committee system I have just described.

A second would be what I might call the contagion of bigness in the governmental machinery generally. It is hard, if only for the liaison demands it is called upon to meet, for any governmental unit to remain compact in a general atmosphere of huge and complex governmental machinery. Here, I suspect that the State Department has been in part the victim, indirectly, of the prodigal use of personnel to which, as I see it, the armed services have long been prone.

A third and very important source of this unhealthy condition might be found in the tendency to complete separation of managerial and personnel functions from substantive ones. Closely connected with this would be a conscious attempt to rule out individual judgment, individual responsibility, and the person-to-person relationship as factors in the operation of the personnel control, and to attempt to achieve a degree of impersonality and mechanistic functioning of the whole administrative structure which would make it unnecessary to have talented and experienced people to run it.

I am satisfied that a much smaller and more compact group of individuals, bound to each other by personal intimacy and confidence as well as by a long community of experience, could accomplish far more expeditiously and effectively what is now accomplished by a badly bloated apparatus operating, for the most part, without these advantages.

The frequent experience that in moments of real urgency it becomes necessary to bypass whole great sections of the regular machinery in order to get something done is simply a proof that this machinery has achieved a degree of unwieldiness which makes it unsuitable as a vehicle for the formulation and execution of the policies of a great government in a precarious world.

The task of reducing this official machinery once more to workable dimensions is obviously a baffling and difficult one. I don't pretend to have the answers to it myself. It is a process which could lead to great injustices if it were not performed with much understanding and care.

With the greatest of respect for the individuals involved, I find it difficult to believe that the ideas and impulses necessary for such a sanification can come primarily from those now bearing the administrative responsibility in the various echelons of the Department. This is partly because they are themselves among those who are most harried and exhausted by the effort to make the present cumbersome machinery work and they have little time to study these matters with detachment, partly because the inquiry would have to be of so broad a nature as to involve the questioning of many things they would no doubt feel it beyond their competence to question. I am also skeptical of the ability of business efficiency experts to find the proper solutions, for the work of a governmental office differs in many essential respects from that of a business enterprise and cannot be approached on the same principles.

I fear that we have yet to develop a proper theory of administrative practice for use within the executive branch of the Federal Government. The work of developing such a theory is work that could be done only by people who combine long experience in this branch of the Government with an interest in, and insight into, the administrative process, and it could be properly accomplished only if such people were to apply themselves consistently to the task over a prolonged period of time, with high executive backing. If they are simply called in as short-term consultants and at once dismissed, the job will not be done. But this work must at some point be undertaken before we can cure the disease of overorganization which is rapidly making the Department of State and, I suspect, other governmental

entities as well, into unhealthy and ineffective instruments of the executive authority.

Now, Mr. Chairman, I would like to add to this statement only this suggestion, that I would be very happy if the papers produced by the policy planning staff in the Department of State during the period of my incumbency might be made available to this committee for purposes of its study. I think that they would perhaps illustrate better than some of the things I can say the possibilities involved and perhaps even the mistakes that can be made in this form of governmental work.

Senator JACKSON. We will certainly make that request. I know it would be very helpful, Ambassador Kennan, to the committee.

First, may I express my appreciation to you for the very fine and thoughtful and provoking and stimulating comments that you have given us this morning.

I would like to start out by asking this question :

All of us on the committee would be interested in your comments regarding the decisionmaking process in the Soviet Union as it relates to national security planning. Can we learn any lessons from them in this regard?

You are a distinguished Russian scholar and, on top of all of that, your very able service to this country as Ambassador and, in addition, your other assignments during your long service as a career officer, are such that I have no hesitation in saying that you are qualified as one of the most eminent people in this field.

Mr. KENNAN. I might say, first of all, that if I mention some of the advantages which I think their method of taking decisions has, I certainly do not mean to imply that I think these advantages extend to their system of government as a whole. I hope nobody will be misled by what I may say.

Senator JACKSON. With that disclaimer, which of course goes without saying, you may proceed.

Mr. KENNAN. I can see, just offhand, certain significant advantages in the way they do things. Their policy decisions are taken within the framework of the party machinery, not of the governmental machinery. They have a very good disciplinary rule in the Communist Party of Russia, which is that up to the moment a decision is taken anybody may state his views with the utmost frankness in the proper deliberations, if he is a member of the body which is taking this decision.

Senator JACKSON. Does this sort of environment leading up to important decisions, that we have heard so much about in the scientific community, exist to the same extent in the political community in the Soviet Union?

Mr. KENNAN. I believe that it does. I have the impression that they proceed in a very orderly way to take their decisions and in a manner that has considerable merit to it.

While you may state your views in a Soviet Party organ, with the utmost frankness up to the moment the decision is formally taken, if the decision runs against what you have been urging, it will not be held against you afterward that you urged a different line so long as you do not continue to urge it after the decision is taken.

Senator JACKSON. Not to divert you from your further response to my question, but to pursue this specific point just for the moment,

would you say that this relative freedom extends even to the point where the position taken might be in opposition to established Marxist-Leninist lines, right down to whatever the Khrushchev line is?

Mr. KENNAN. I think that you could not, of course, go to the point of questioning the dogma.

Senator JACKSON. The infallibility of the dogma?

Mr. KENNAN. Yes. But in speaking of specific, practical questions before the Government—

Senator JACKSON. The application of certain alternative decisions that might be made; is that the point?

Mr. KENNAN. That is exactly the point.

I am very glad that you called attention to that because I should have made that clear.

Senator JACKSON. I just wanted to get this in proper perspective because there are limitations to this freedom which the Soviets impose.

Mr. KENNAN. There certainly are. But I think within those limits that the discipline with which they take their decisions in the party is effective and sound.

Another advantage they appear to me to have is that the highest policy decisions are taken in a relatively small and very highly circumscribed group of men who bear government responsibility for various echelons and segments of the governmental and the party authority. These men meet as members of the Presidium of the Communist Party. I think that they meet reasonably frequently and they accept full responsibility for these decisions. I have the impression that they work out their decisions together to a very extensive degree on the spot, instead of relying on elaborately prepared and compromised papers which come up or boil up from underneath.

I think they do not make the mistake of trying to state everything in policy papers in advance, of trying to write a policy for the world and write it for several months ahead. I think that they are pragmatists, they face important problems when important problems arise and then ask themselves whether their existing directives are or are not adequate to the situation which exists as of a certain day.

Senator JACKSON. In other words, contrary to the belief of many perhaps, they have a certain pragmatic flexibility, would you say?

Mr. KENNAN. Yes, in the decision-taking on matters of foreign policy, they certainly do.

Senator JACKSON. Their bureaucracy does not impose a long list of prepared solutions for every possible situation that might arise throughout the world?

Mr. KENNAN. This is my impression. These men acknowledge a very high order of responsibility as a body, and they face problems when they feel that problems are ripe for being faced. When they issue a directive that directive applies until a new decision is taken.

Senator JACKSON. Now, if I may inquire further on the point you brought out so well, I gather from what you have said that at the summit level of the Soviet Government the decisionmaking process is limited to a few really well qualified experts?

Mr. KENNAN. It is limited to the responsible political leaders, the members of the Presidium.

Senator JACKSON. Yes; but their staff is not enormous, is it?

Mr. KENNAN. I don't know, but I have the feeling that very few staff people, if any, are present in the room when they discuss these things. They insist on the privacy of their deliberations. I think that once they have taken a decision they make that decision public, but they do not make public the deliberations that led up to it.

Senator JACKSON. Would you say they have turnover problem among the advisory and technical experts? They are well experienced men and well qualified men?

Mr. KENNAN. Those are the experts to whom these very figures would turn for advice.

Senator JACKSON. This is right; this is what I am referring to.

Mr. KENNAN. My impression is that they have very able and well trained men. They are stultified in certain respects especially when it comes to foreign affairs because these men are not permitted to have free and easy contact with people in other countries which a more mature and confident type of government would permit. This is one of the great drawbacks and they have many others, too.

Senator JACKSON. So I think it is fair from what you have said up to now, Ambassador Kennan, to infer that it would be wrong to assume that the Presidium members are deprived of the exchange of points of view, the differences of opinion that lead up to a decision of importance. In other words they do enjoy the benefits of a substantial amount of freedom of discussion.

Mr. KENNAN. Within their group at the proper time, in the proper room and at the proper stage of the deliberation, I believe they have complete freedom to discuss the merits of any particular solution they are studying, and they will also have had the benefit of expert counsel from down below. But it is my impression—none of these things can be proven because none of us is there on the spot; we have to go on such evidence as exists—that when they do come together to decide an important policy matter they usually meet alone. They debate this thing through; they have plenty of time. The telephone does not ring; the press is at a greater distance than would be the case in our country. They take their decisions in all privacy and they then announce them.

I am not recommending that we could or should follow these procedures in all respects, but I think they have certain advantages which we might well study, the advantages of privacy and of a very great orderliness of procedure.

Senator JACKSON. They indulge, within confined limits, in some of the virtues of democracy, freedom of discussion, to help reach an ultimate decision?

Mr. KENNAN. That is correct.

Senator JACKSON. I only ask these questions, not that we ought to copy them, but to try to give to our people as best as we can an understanding of just how they reach certain decisions. I have a feeling that many people believe that the decisionmaking process within the Soviet Union follows a strict party line concept, and that debate is not a part and parcel of the decisionmaking process.

Mr. KENNAN. It is my impression that this is not true, but that the time and place at which debate may take place is more strictly limited than is the case in our own government procedures. There are many

occasions on which you cannot debate these things freely. You have to wait until the meeting has begun, and it is the proper meeting, and you are a proper member of it. And then, once the decision is taken, you stop debating them.

Senator JACKSON. Do you feel that Soviet policy machinery is geared for a long cold war and that there is a long-term plan for its conduct?

Mr. KENNAN. I think it is geared for a long cold war in the sense of a long and intensive competition with the non-Communist world. I do not believe that there is a long-term plan for all this. I think these people are too wise to try to look very far ahead in a world where no one can predict the way things are going to break, and I think they play it very much more by ear than we suppose. They have their basic concepts and general ideas of how they hope things will work out in this world and how they are going to contribute to the process, but these are not nearly so rigid as many people in the western world would seem to think.

Senator JACKSON. And, of course, all of this has real implications for our own policy machinery as suggested by the very statement you have just made in response to my question?

Mr. KENNAN. That is true.

Senator JACKSON. It means that we must likewise be geared for a long-term effort with great flexibility.

Mr. KENNAN. This is something in which I believe very profoundly, Senator. I think that to be adequate to the needs of this country our whole apparatus of diplomacy, both the decision taking and the execution, has to be able to serve as a sensitive instrument for people who follow the world situation day by day and who adjust the tone and the style and the nature of our action, and our utterances, to the needs of the moment. I am very much afraid of any attempt to settle on what in government they sometimes call programs, which you would expect to follow regardless of how the world develops.

Senator JACKSON. There is danger in just cranking out certain solutions that have been prearranged in advance; is this not true?

Mr. KENNAN. This can lead to considerable difficulty on occasion.

Senator JACKSON. Ambassador Kennan, you recently wrote a very fine letter to the New York Times, and in it you referred to deficiencies of intergovernmental coordination as one of the problems contributing to some of our difficulties in relation to the Soviet Union. Could you elaborate on this? I realize, you will want to speak of this matter in executive session, but you may have some general comments at this time?

Mr. KENNAN. Senator, I would only say this: To my mind the task of intelligence gathering, particularly in the military field, is or can be in its way also an act of foreign policy in the sense that it can affect the nature of our relations with other people. This, let me stress, is a matter of the "how" much more than of the "what." It is not so much a matter of what you do; it is a question of how you do it. How you do these things can have important effects on our foreign relations.

It was not my impression during the time I was in Government, and it is not today from such external evidences as I see of our Gov-

ernment's working, that this fact has been given due recognition in the way our Government is ordered.

I strongly suspect that people who are charged with the function of intelligence gathering are often not charged with bearing in mind the full range of our foreign policy objectives, and I think that there probably have been gaps. I know there were in my time in Government. I know that these things very often troubled me at that time—that I feared we were giving to other people false impressions on occasions by our failure to coordinate this branch of governmental activity with our foreign policy in general.

Senator JACKSON. Based on just what you have said and based on your prepared statement when you pointed out so effectively the importance of the broad responsibility of the Secretary of State and his representatives in the field of foreign policy, I take it, Ambassador Kennan, that you feel that coordination in this area between intelligence and State is indeed of the highest importance?

Mr. KENNAN. I do, and I think this goes, in fact, for our military preparations in general, for our military activity in general. I think it is terribly important to assure that, as we make ourselves strong in the military field—and this intelligence-gathering is only one small part of making ourselves strong—we do these things in such a way that the impression conveyed by them is in complete accord with the impression we are trying to convey on the straight political level of our relationships with other people and that it does not create misimpressions which simply cancel out other things we are doing. This is my concern.

Senator JACKSON. Just one last question for now.

We would appreciate your comments on the subject of personal diplomacy versus traditional diplomacy, or, stated another way, summitry versus traditional diplomacy.

Mr. KENNAN. Senator, would you mind if I were to read to you a few sentences from the statement I had occasion to make 3 years ago over the British radio in lectures given to the British listening public?

Senator JACKSON. Not at all.

Mr. KENNAN. I had occasion to speak on just this subject at that time, and I would just like to go over what was said then because I think perhaps it is still relevant.

Senator JACKSON. There is a quotation here on the Archives Building: "What is Past is Prologue".

Mr. KENNAN. I was talking about the possibilities generally of dealing with the Soviet leaders by personal conferences, and I said this:

It is no good trying to argue them around to our point of view on any one occasion. They are men who can be directly influenced by situations, but not by words expressed in any terminology other than their own. There is nothing that can be said to Mr. Khrushchev on any one occasion by any Western figure, however illustrious, that would suddenly dispel this obscurity of vision. What we are confronted with here is not just misunderstanding, not just honest error, but a habit of mind, an induced state, a condition. Even assuming for the sake of argument that it were possible to explain away in some satisfactory manner all the sources of misunderstanding and suspicion that prevail today between the Kremlin and ourselves, and to start all over again with a fresh slate tomorrow morning, I would still hazard the guess that 24 hours would not elapse before that fresh slate would be fouled with new misunderstandings and precisely as a consequence of the congenital inability of our Soviet friends to see themselves and us and our mutual relationship with any proper degree of realism.

In the face of this situation, I wonder about the wisdom of engaging the persons of the senior Western statesmen directly in the process of negotiation with the Soviet Government. With people whose state of mind is what I have just described no intimacy of understanding is really possible. There is only one sort of thing that can usefully be said to them and that is: what we would be prepared to do, and what we would not be prepared to do, in specific contingencies. This sort of thing they understand; but to say it, you do not need the physical presence of a president or prime minister, and there are even reasons why it is better not to have it. I would not wish to say that there is never a time for summit meetings. There is a time for almost everything in the strange world of diplomacy. But surely, if the usefulness of these senior figures is to be protected and the raising of false hopes avoided, such meetings should occur, if at all, at the end of the negotiating process, and for the purpose of formalizing agreements already arrived at, rather than at the beginning and as a means of starting the wearisome process of accommodation. (Quotation from pp. 23-25, "Russia, the Atom and the West.")

I had occasion to reiterate this view last fall in a speech here in Washington, and I did add to it this one thought at that time:

If these top-level exchanges fail to take place, or take place and lead to no agreement, then much damage may have been done; for we will then have exhausted to no avail all the expedients, including even the ultimate one of summit meetings, which we might require for more final and momentous occasions. Not only that, but this very limited and unstable relaxation of tensions which we have witnessed could, in this event, very easily change to something much worse than what we had before.

Senator JACKSON. Would you say this latter point which you made in your remarks last fall has application to the recent failure in Paris?

Mr. KENNAN. I would, and I think that this is just the situation we are probably in today.

The only reason I read these earlier statements is that I would not like to say anything today that might seem like the wisdom of hindsight, and I would like to emphasize that this has been my view for a long time.

Senator JACKSON. I think what you have read is wisdom of foresight. You have in that last statement, at least it so appears to the chairman, described recent occurrences in Paris.

Mr. KENNAN. These are the reasons why I think we should be very careful, as I say, about engaging the persons of the senior statesmen—and this goes for the Secretary of State as well—in negotiations with Soviet representatives. I do not believe that things have to be done this way. I think that if there is a real possibility of agreement—and I believe that an agreement is sometimes useful and possible with these people in narrowly circumscribed fields—it can be explored through the normal diplomatic channels and does not require the presence of the very top statesmen to do it.

There are great advantages, in my opinion, in the Secretary of State and his assistants remaining as much as possible at their desks in Washington. Their competence is not limited to a single country. The time they take away from their desks to attend to one single portion of our foreign affairs inevitably proceeds at the cost of the attention they can give to other sections.

And, beyond that, there is what seemed to me to be an evil, which I was able to observe in my period in Government here, namely, that when the top figures in Government give their personal attention to a given problem of our foreign relations by going somewhere and nego-

Senator JACKSON. Would you yield just for a point on this?

Senator MUNDT. Yes.

Senator JACKSON. In that connection, do you feel that it would be helpful if the Secretary of State was called upon to testify before Congress in support of the defense budget, not in detail but in defense of our overall military image and posture as far as diplomacy is concerned?

Mr. KENNAN. I think that this is certainly a very important part of the conduct of foreign relations in this country. Perhaps it would not be suitable for the Secretary of State to testify about this if he had no responsibility with relation to it or was not sufficiently informed.

Senator JACKSON. I am presupposing that.

Mr. KENNAN. Under what I have suggested here, I think that his views on this should be heard.

I am afraid, precisely, that we will go off in two different ways, that we will say "Now this is our foreign policy" and then, because we feel that we need a strong posture of national defense, we will do a number of things in that respect which give quite different impressions than we mean to convey on the political plane.

Senator JACKSON. Thank you, Senator Mundt.

Senator MUNDT. I would like to have you go into that a little deeper because it leaves me a little bit disturbed to think that you are going to have a Secretary of State who is going to have a primacy in determining our decisions in national defense.

I suppose we might find a Solomon so wise that he would know all of these international matters, and also would be able to tell how we should use carriers or offshore bases or what we should do in the field of missiles. But it seems to me this whole business of defense has become so complicated we are just awfully lucky to have a Secretary of Defense who knows all about that, to say nothing of the other things.

It seems to me this has to be a team play. You have to have your Secretary of State dealing with external affairs and saying to the President and to the Defense Establishment, "In terms of foreign conditions today, we need a lot of force in the Orient" or in some other place, but when it comes to determining the decisions from the standpoint of defense posture, I think he should bow gracefully out and leave that to the experts. Am I totally wrong in that or can you find a fellow who knows all those things?

Mr. KENNAN. No. There is certainly great merit to that view. Obviously, the whole machinery of the Defense Establishment must go on. I am thinking of the Secretary of State here only as a servant of the President, exercising in this respect no responsibility greater than that which the President, of course, himself already bears.

If this solution that I mentioned commends itself to me it is because I have had the impression, perhaps wrongly and perhaps because I don't know enough about it, that the burdens of the Presidency are becoming almost superhuman in our present age and that the President does need more in the way of an executive assistant for this whole range of activity involving our external relations than he has had in recent years.

Senator MUNDT. I think that is true about these burdens and the problems, but in this day and age he probably has no more important burden or problem than to try to enable the free world to survive and all of us to survive and meet these challenges. We have people who presumably are experts in the field of foreign policy and what the other nations are calculating to do and what the other side is planning. He should be able to report the conditions as best he can discover them through intelligence and whatnot, and then the job of the military, it seems to me, is to seal off the situation so that our diplomatic procedures can bring about the best result. I think almost inescapably you have to keep them pretty close at a par. The President then, working with them and with the National Security Council, has to arrive at these decisions. I just am afraid if we leave both the decisions on military posture and foreign policy to be delegated to the new concept of the Secretary of State, they might be placed in the hands of a man who might not be an expert about decisions.

Mr. KENNAN. I understand very well your misgivings about this, Senator, and if, of course, the President can do all these things personally, that perhaps is the best way under our Constitution. But I find myself moved, as I am sure many of us do constantly, by a feeling of sympathy for anyone who has to combine the functions of a European Prime Minister with all the functions of a party leader and of royalty as well. It is, it seems to me, a lot for one man.

Senator MUNDT. In your stressing of the preparation of a Foreign Service officer I don't believe you mentioned one phase which I am sure, from knowing your attitudes previously, you believe in. You say that the multiple-choice questions and true-or-false questions are not certainly the best test to determine the capacity to serve in a foreign office. You suggest, therefore, that he have a certain capacity in our own language.

I wonder why you didn't include something about the other fellow's language. It seems to me he ought to have a capacity in that.

Mr. KENNAN. I fully agree. That is simply an omission which I might well have filled. I think a knowledge of foreign language is a vital part of any Foreign Service officer's equipment and that this should be energetically pursued.

I think, in that respect, I omitted one or two things. The overstaffing in the Department of State and the Foreign Service seems to me to be partly a result of the excessive paternalism of the Government as compared to the earlier days of my own service. Before World War II nobody ever bought our railroad ticket for us or found apartments for us or provided grocery stores for us.

Senator MUNDT. They even come in and pack your furniture now when you want to move and take care of everything.

Mr. KENNAN. We had to do all these things, and it helped us to learn foreign languages. And, while it was a little rough perhaps on some of the wives to have to buy in local markets, in some ways it did them good, too.

Senator MUNDT. You mentioned something here which really intrigued me:

The concern of those who control admissions to the Foreign Service should be to see that we find the people best qualified for the performance of the functions of the Service; and this effort should not be impaired by making a fetish of geographic distribution.

I don't know whether you are referring to the late Senator Langer and his position on diplomats or not, there, but I come to the next sentence:

In particular, it should not be held against candidates that they have attended specific institutions or come from specific parts of the country.

If there is such a blacklist in operation, it is entirely new to me. Would you tell me what you mean by that?

Mr. KENNAN. I may be poorly informed and I would welcome it if you could find out from the people in the Department of State just how they handle these matters, but a general impression prevails that today it is a handicap if you have been to Harvard or have been educated at certain of the eastern institutions, that you have better chances of getting in if this hasn't been the case.

Please don't misunderstand me. If a boy comes along from any other place in the country and competes successfully, I don't care a fig about the fact that the other man came from Harvard; I think this element should not be brought in. I don't think you should discriminate on this basis in favor of Harvard or any other educational institution, but I think that our main purpose should be to see that we get the best prepared boys and the boys best qualified by personal character to serve in this branch of the Department. We should not distort it by ulterior considerations.

Senator MUNDT. I agree, of course, in the axiom that you have laid down. But, my dear friend, if you think that the Ivy League has been discriminated against in the Foreign Service to the advantage of the Midwest, you should spend 15 minutes looking up the home addresses of the people who serve in the Foreign Service. It is quite the contrary, and those of us who come from the Midwest share in this axiom which you presented. We feel we have a great many competent people, I am sure, and I am glad to have on the record this statement that you made. I was afraid you were pointing the finger at us—I didn't know—because we haven't had much success getting people in the Foreign Service.

Senator MUSKIE. It isn't confined to the Midwest. It applies to institutions up our way.

Senator MUNDT. I am happy to represent the Midwest.

I don't think there is such a blacklist against the Ivy League. There couldn't be, because they come from there, and properly so when they are best qualified.

Mr. KENNAN. I think I can speak to this with some objectivity. I come from Wisconsin, and went neither to Groton nor to Harvard, and I was in the Foreign Service for a long time.

Senator MUNDT. You have done very well in spite of the handicap. When you are talking in terms of the security problems in the State Department, Mr. Ambassador, you are working in a garden in which I have had a little experience in pulling out weeds.

I am certainly sympathetic with any program that will provide, as you say, some better means to assure the loyalty and reliability of Foreign Service personnel. That is a very difficult problem, as you know. We have had considerable difficulties in the area.

Do you have in mind perhaps some mechanism or some concept or some program or some better means whereby we can protect the secu-

rity of the country and protect the integrity of the Foreign Service and do it within the framework of what everybody would like, to do the maximum to protect the individual?

Mr. KENNAN. I might just say this, Senator, that I think we might give greater weight to the opinions of senior officers in the Service about their juniors. That is, we might place greater reliance really on the experience and judgment of the senior people in the Service and not run these security checks in so routine a way on all officers high and low.

It seems to me that there are a great many people in our Service who have pretty well demonstrated their loyalty to our Government by decades of faithful service, and that there is no need to have their security checked on by people who have served far smaller periods of time and who have had no opportunity for demonstrating any greater loyalty, themselves.

I am very conscious that if I were to return to governmental service, they would send around and ask my neighbors where I live as to whether I am an honorable citizen. Perhaps this is necessary, but it does seem to me that after 26 years in Government, if the Government doesn't know whether I am honest or not, I don't belong there at all. If they can't make up their minds on the basis of 26 years' observation and experience, something is wrong.

It does seem to me that some people could be given the benefit of the doubt, and that the Secretary of State or his leading assistants ought to be able to say, "Look, it is not necessary to run a security check on this man every time he is given a new job. We will take the responsibility of saying that he is well known to the Government." The present system has involved great absurdities. We have all had the experience of having people come around to us to check on the reliability of men whose names are so well known and whose personalities are so familiar to the American public that it really seems an excessive and absurd thing to have people running around asking whether they are reliable or not. This is one place in which I think the system could be improved.

The second thing I would like to see is greater weight given to the opinions of the men who have known a given officer in his work, who have seen him in his work, who have experience with him as a man at a desk, and less weight given to the opinions of men who know him only as a card among a great many other cards, who have never seen him personally and have no personal knowledge of him.

This represents perhaps a personal conviction, but I don't think that you can avoid in governmental work real personal responsibility for decisions of this sort. I don't think that the best business machine can substitute for that type of responsibility.

It may be that we individuals make mistakes occasionally and that this is dangerous, but I think that the dangers of doing this in an impersonal way are greater than the dangers of an occasional mistake.

It seems to me that the reliability of the American Foreign Service has in general been very high and that the amount of time and effort we devote to periodic checks on the reliability of these people is excessive and is somewhat discouraging to them.

Senator MUNDT. I think we have to keep in mind, Mr. Ambassador, that the system which we have now has developed out of a system

substantially such as that which you have described. We have gone historically through the period when precisely the two things which you have mentioned prevailed. Secretaries of State would pick some well-known individuals, appoint them, and nobody ever thought for a long time of making a security check of any kind, and it was assumed that the heads of the department or of a division, picking their people, would pick competent people and honest people and loyal people. Well, the experience has shown, of which we are all aware and I need not mention names, that that system was inadequate; something had to be done.

It simply cannot be accepted, and I am sure you will agree, that we have infiltrated into this sensitive area people whose loyalties are somewhere else. And, so, out of that alarming and disturbing situation there developed these security setups and security checks. It wasn't that they were imposed like they would be under a party concept system in Russia. It wasn't the original American policy. It grew up because, lo and behold, here they were, name after name after name. Here we found, for example, that the situation got so bad one time that the Vice President of the United States, Mr. Barkley, appointed a separate committee. Those of us who served on the committee—I happened to be one—assumed that the reports, that there were hundreds of sex deviates in the State Department were all false. I would have bet my bottom dollar it wasn't true the first day I sat on that committee, but there were well over 200. That was a humiliating thing. They succeeded in getting them out by the hundreds without ever mentioning any individual by name.

It was a bad enough thing, but nobody would accept the concept, surely, that these are appropriate people to serve in that sensitive department, because they are subject to blackmail. Nor could we accept the other hypothesis, that they were appointed by people who knew the people. In other words, the good administrator of a division of the State Department may not be able to detect these human deficiencies or these disloyalties, and it seems to me that you need expert counsel in that area just like you need it in this other area. Would you agree?

Mr. KENNAN. Senator, I have great respect for all you have said, and I realize fully that there is need for these procedures. I think perhaps there is more need for it in, say, the State Department itself, where people are very often taken in directly out of private life who have had no previous experience with the Government, than there is among, let us say, Foreign Service officers who are career officials and whom we have had long years to observe in their work abroad.

Senator MUNDT. Let me say I would concur in that because, as one who sat through that for many, many years, I have said frequently that the Foreign Service is peculiarly and uniquely free from the type of thing that bothered us and that we discovered in the State Department.

Nothing is perfect, but I think you are exactly right: either by more careful recruitment or better luck or some way or other, we have certainly had a wonderful high degree of performance from the Foreign Service officer.

Mr. KENNAN. Admittedly there is no universally happy solution to this problem, but it has occasionally pained some of us who worked

in the Foreign Service to see colleagues, who had wonderful records of service to the Government, investigated in the ways that they were investigated, and we have always had to ask ourselves this awkward question: How the investigators themselves earned so much higher a degree of confidence that they are investigating these people and not vice versa? This question is, I think, not always asked frequently enough in the Service. However, when I say these things I do not wish to create the impression that I believe that we could get along without the security services. I recognize that the overwhelming majority of the people working in these services are performing their duties conscientiously and with every desire to spare unnecessary hardship to the people they are investigating.

Senator MUNDT. That is good enough for me on that point. I just didn't want to leave that statement go without some colloquy. I wanted to be certain of what I was sure was actually your position.

One other question, Mr. Ambassador.

You leave in me a kind of pessimistic mood. You say that there are some baffling and difficult problems as a result of official machinery which becomes unworkable because of its size, and you say you do not believe that people who are involved in the mechanism itself can correct it, and you do not believe that business efficiency experts working from the outside can correct it. That leaves only those who used to be in the mechanism who are now on the outside, and they probably can't correct it or they would have corrected it while they were there.

Who is going to do it? If the fellow can't do it who works there, if the fellow having worked there and who retires to something else can't do it, because if he knew the answer he would have used it while he was there, and if the outside efficiency fellow can't do it, who is going to do it?

I quite agree with your description of the awkward mechanism and the dangers of overstaffing and getting too big. I had hopes that maybe you were going to say outside efficiency experts or groups like yours, a scholar or something like that, can help out. We have to find some answer or we will have to live with the problem.

Mr. KENNAN. That is very penetrating criticism and one that I deserve.

I do think that you can find a considerable number of people today who have served, if not in the State Department, the Foreign Service, at least in analogous branches of the American Government, in the Defense Establishment, in one place or another, who have the qualities to investigate these matters and to come up with useful recommendations about them. I do think it important that they be people who are not themselves at the moment embraced in the machinery and not in a state of disciplinary relationship to anybody in Government, because this makes it difficult for them to speak their minds on it.

I think, for example, of a person like Mr. Lovett who had experience in the Government. I am sure that he would be outstandingly qualified to study matters of this sort, and I think there are many others, perhaps not men of his great distinction but men who could serve usefully in this respect. They should be men who have known the Government from the inside, who have struggled with these problems, who have seen what their nature is, and who have some understanding of the process of decision taking and policymaking—because

one of the evils of our Government is this complete separation of the functional approach to administration and the political approach to policymaking. These things are not as separate as people think. If the governmental machinery we are talking about is to serve as a sensitive instrument for our national policies, even such things as personnel and administration must be carefully adjusted to the needs that we have in mind.

Senator MUNDT. One final question.

Are you entirely skeptical about the desirability of occasionally bringing in these outside efficiency experts, as you call them, experts or study groups? It seems to me sometimes it is good to have somebody from the outside take a look at a situation, because if he lives with the problem he gets a certain experience. The fact that he did not change it while he was there, that he did not correct it then when he had the chance, means he is like all of us—we tend to accommodate ourselves to a situation which we don't just exactly like, and gradually it moves to the point of acceptance. So, sometimes maybe, coming in from the outside, you can see things which you don't get when you are actually there. Is there a place for that or not?

Mr. KENNAN. I am sure that is true, and this is a matter of individuals. But I am a little afraid of the attempt to apply to a governmental office exactly the same principles of organization that you apply to a business, because I don't think it will necessarily work.

Senator MUNDT. Thank you very much.

Senator JACKSON. Thank you, Senator Mundt.

Senator MUSKIE.

Ambassador Kennan, I must say I have enjoyed your testimony this morning. I know we will have your testimony in executive session, so I will not take up too much time on questions.

I do want to emphasize the point that this committee is concerned with security policymaking and we are concerned with the machinery set up for that purpose.

I like a quotation which I think is appropriate in the light of your view on this problem, a quotation from Chief Justice Taft who said that it is not a good idea to talk of governmental machinery because there are too many people who really think it is machinery.

We are talking about policymaking in foreign affairs.

It is true, isn't it—and I know it is true—that complete authority for foreign affairs is lodged in the President under the Constitution? When we are talking about policymaking machinery we are talking about the tools that can be set up to enable him to perform this constitutional function. We cannot in any machinery that we set up dilute this constitutional authority or modify it in any way. We can undertake to set up organizations, instrumentalities, agencies. Whether he uses them or not is for him to decide. In other words, we can lead the horse to water but we can't make him drink.

I think it is important to think of it in these terms in order to consider realities, particularly what this committee or the Congress can do about the policymaking machinery in foreign affairs.

Paul Nitze set down some criteria that I would like you to consider in applying your general approach to this problem, to the questions which I would like to ask.

Paul Nitze, in a paper which he prepared for delivery at the 1959 annual meeting of the American Political Science Association here in Washington on September 10-12, 1959, and which is reprinted in this committee's document "Selected Materials," made this statement:

For the sake of analysis, three different phases of the policy process can be distinguished from one another, although, of course, in practice the demarcation lines between them will be fuzzy and the phases will overlap. Roughly, these may be described as the formulation phase, the decision phase, and the execution phase.

In your statement which you wrote for the Journal of the American Academy of Arts and Sciences, and which is also reprinted in our "Selected Materials," you were concerned with the effect which bigness and overorganization is having upon our policymaking. If I get your point of view correctly, you are concerned with the impact of bigness, not so much on the formulation phase or the execution phase as on the decision phase of policymaking. Am I right?

Mr. KENNAN. On all three.

Senator MUSKIE. On all three?

Mr. KENNAN. On all three.

If I may just speak to that a moment, on the formulation phase, as Mr. Nitze correctly says here, this is an intellectually creative process. It is my belief that you cannot use to good effect more than a given number of people in this sort of process. The moment you have so many that you lose the intimacy of communication between them, you get into undesirable processes which merely clutter up the whole procedure and do not lead to clarity or decisiveness of thought.

Senator MUSKIE. May I pinpoint that a little more.

I take it from your letter to the New York Times and from what is implicit in your various statements that I have read that you are critical of our policymaking decisions. Do you think that the basis for that criticism is in the machinery or the people who are utilizing it? I am not asking a political question in the partisan sense.

Mr. KENNAN. Certainly both factors enter into the equation. I can only say that if you had the best equipped individuals to take these decisions, I think that the machinery of the Department of State as it exists today would be a handicap to them and would make decision-taking more difficult for them than it needs to be.

Where I see the great drawback of our present type of organization is in the way that it interferes with intimacy of understanding between the people at the top of the Department and the people far down the line.

Even in point of execution I am sure that one of the faults in the way the machinery of the Department of State works today is the inadequate delegation of authority by the top people. One of the reasons for that inadequate delegation of authority is the fact that these top officials feel that they do not know junior people well enough and intimately enough to be sure that the latter, if given complete freedom to act, will carry out their views in the proper way. In a smaller organization this would not be the case. This was not the case in the Department of State at the time I entered it 30 or 35 years ago, and I question whether it needs to be the case in the same degree that it is today.

I do realize that times have changed. You could no longer use the completely small, compact organization that you had in the early 1920's, but I think that this machinery—I use the word “machinery” only for lack of a better one—this apparatus, if you will, has outgrown anything called for by the real needs of the Secretary of State.

Senator MUSKIE. I wonder if at this point you make a distinction really. In your article to the American Academy of Arts and Sciences you make this criticism: that—

the present system is based throughout on what appears to be a conscious striving for maximum fragmentation and diffusion of power.

Now you have just suggested the criticism that there is an absence of effective delegation of authority. Would you draw the distinction?

Mr. KENNAN. These are two different things. I feel that the Secretary should make the decision, but he should delegate the execution of it insofar as possible to people down the line to whom he gives the real power for execution. Today this doesn't happen. Even if these men are charged with execution, they often have to clear it with X number of other divisions before they can do anything. This is what I object to.

Senator MUSKIE. Getting back to the point I made at the outset, Ambassador Kennan, since every man thinks in his own way and he is going to use the tools in the system in this process that come most naturally to him, to what extent should we undertake to organize his thinking tools?

Mr. KENNAN. There has to be a permanent apparatus of the Department of State, and this is a very difficult question that you raise because, as you quite correctly say, different Secretaries of State make different sorts of use of this apparatus. There are dangers in having too small an apparatus, in having it inadequate to the use of a man who knows how to use an organization. But there are also dangers in having an apparatus so cumbersome that it cannot be useful even to the best organizational executive. We must find a compromise somewhere between these extremes.

Senator MUSKIE. You suggest in your statement that the Cabinet is of uncomfortable size at the present time. Yet in some of these auxiliary organizations that were established, we are in a sense bypassing or at least fragmentizing what used to be a total function of the Cabinet in the advisory field. Am I correct in that?

Mr. KENNAN. It is my impression that we are, and the same thing would apply in the Department of State. It is my impression that the number of officials in the Department of State who might be supposed, from their titles and their ostensible responsibility, to report freely and directly to the Secretary of State is probably greater than is mechanically possible, if you see what I mean. There probably are so many of these people that the Secretary would not be able to see them.

It is also my impression that the organizational chart of the Department of State today would probably be quite beyond the capacity of any Secretary of State to remember in its details.

Senator MUSKIE. I have a question here to which it has been suggested I might get an interesting answer. It does not fit in with my current line of questioning, but I can't resist asking you.

I wonder if you would describe to us the initialing system on cables in the Department of State?

Mr. KENNAN. Senator, of course, this question should, if you want up-to-date information, be addressed to someone who has initialed cables within recent years. But, as I remember it, these drafts of outgoing cables used to float around the Department of State and were not ready to go out until they had been initialed by a large number, as a rule, of divisions. So far as I can remember, while one division might be designated as the action office, and the one that drafted the cable, this did not absolve it from the necessity of getting the initials of the others on that cable before it could be sent out. This merely caused a repetition, on the written level, of the same compromising of views which took place in the committees and to which I have referred in my paper. It was, in other words, just an extrapolation of the committee system on the written level. Of course, this was again a cumbersome way of doing business, because sometimes the attention of the official who had to initial it couldn't be obtained. He often had little time to initial telegrams, and sometimes he was ill, and this simply meant that the apparatus of the Department of State was a very difficult one through which to get any sort of action promptly and decisively.

Senator MUSKIE. Getting back to my line of thought, it seems to me that of all agencies available to the President the Cabinet is most likely to be made up of persons in whom he has personal confidence and with whom he can work closely and intimately. To the extent that their function in this advisory capacity is diluted it seems to me that there is likely to be a deterioration of their inclination to be useful in this capacity. Would you agree with that?

Mr. KENNAN. Fully.

Senator MUSKIE. Would you think that there might be some merit in considering the reinstatement of the Cabinet in the advisory status and in the national security policy field?

Mr. KENNAN. Yes. This question, of course, involves the very difficult problem of distinguishing between those parts of the Cabinet which are concerned with external affairs and those which are concerned only with internal affairs. Again it is my impression that there ought to be a much closer intimacy between these two fields of the President's competency and that this should find its expression in a greater use of the Cabinet as a whole. Even internal affairs need to be coordinated with external ones and vice versa, on many occasions, to a greater extent than has been the case in our Government.

You get also here into the very difficult question as to the relationship of the Cabinet as an advisory body to that of the National Security Council. I don't profess to have studied this whole problem thoroughly enough to have views on it which I ought to state in this context. But I can only say that it is obvious to one that the matter deserves very, very careful study at this stage of our national life.

Senator MUSKIE. I think we are both approaching the area which should be considered in executive session. So I will discontinue my questions for the time being.

Thank you very much, Mr. Ambassador.

Senator JAVITS. Mr. Ambassador, I would like to join my colleagues in appreciation for what is obviously an extremely informed and well-thought-through point of view. I would ask you this question:

I see that your definition of the kind of authority you want to vest in the Secretary of State is comparable to my definition of what the National Security Council is supposed to do. I gather, therefore, implicit in that, that you nonetheless feel we have to have a single official for that purpose.

Mr. KENNAN. Not, Senator Javits, to replace all of the functions of the National Security Council. I think that the National Security Council would in any case have to continue to exist as an advisory body to the President and to anyone who works for the President, including the Secretary of State. But it seems to me that the President, as an executive head, needs someone, some one person to help him.

Senator JAVITS. In other words, really to carry part of the burden of the actual work which is now his. He, in his own person, unifies what you call military, economic, and social strategy.

Now may I ask you this question which rather challenged me:

You read your previous remarks as to your views on summitry, and they proved, as the chairman said, to be farsighted. Do you feel the same way about the new efforts for summitry? There are groups of very high people in our Government and in the Congress who are beseeching the President and the country and Mr. Khrushchev to have some new summit meeting. Are your views exactly the same as applying to the soundness of their judgment?

Mr. KENNAN. My views remain unchanged, Senator, on this subject. Particularly after what has recently occurred, I think that we should look very, very carefully before we again submit the prestige of the President of the United States to the sort of thing that happened at Paris.

Senator JAVITS. Whether the suggestion comes from within or outside of the administration or from the Congress or any other source?

Mr. KENNAN. That is correct.

Senator JAVITS. Your opinion is the same?

Mr. KENNAN. Yes, sir.

Senator JAVITS. I think that is a very valuable thing and could be very helpful to the country.

I notice also your feeling about what you call the long and intensive competition which the non-Communist world is in for. Would you feel, therefore, that what we need to do is to more appropriately organize our machinery to get the non-Communist world to work more closely together, that that is the garden that can produce the biggest fruit and the best fruit right now, rather than persevering in the effort to arrive at some kind of top-level agreements with the Russians?

Mr. KENNAN. I feel that both of these things have to go hand in hand. The areas in which it seems to me there might be a possibility of improving the state of the world by agreement with the Russians are very limited at this particular moment. Therefore, I think our greatest and most important possibilities at the moment probably lie in the development of our relations with the other nations in the non-Communist world.

Senator JAVITS. So you would say that the preponderance of our resources of mind and material should be devoted to what I call—and I don't want to put any words in your mouth—the more perfect integration of the free world.

Mr. KENNAN. Yes, sir, at this stage. I believe that that is correct.

I think we should also be on the alert for opportunities to negotiate profitably with the Russians on individual issues. I have never been able to accept the view that there is never any point in talking with these people. There are times and there are subjects about which you can negotiate with them, and there are even times and situations in which they will respect agreements, and this can be useful to the peace of the world. We should not exclude this. But these areas are limited, and they are limited in particular at the present time.

I think that we must go ahead with both things. We must vigorously develop our relations with the non-Communist world and try to make them as fruitful and as happy and as profitable to both parties as they can be made.

Senator JAVITS. You would identify this would you not, as a major shift in strategy in response to the failure of the summit at Paris?

Mr. KENNAN. Well, this is something I would have hoped we had been doing all along, because our strength in negotiating with the Russians will always depend on the strength of our relationships with the countries outside of the Communist orbit.

Senator JAVITS. Now, Mr. Ambassador, may I ask you a question, and I think you know how much I respect your views, and, so, I need not apologize for a question which might sound provocative. Do you honestly feel that, given a sound strategy—let us say we adopt your strategy, what you have just been explaining—that the machinery, notwithstanding the fact that it is cumbersome—and you even used the word “bloated”—and overstaffed and overcommitted, could give a sound strategy, that even this machinery could carry on?

Mr. KENNAN. Yes, sir. I do not think that this machinery is fatal to the United States. I think it would be easier for the very people in Government to work if we had more suitable means.

Senator JAVITS. Now may I ask one other question.

I agree with you thoroughly about streamlining it, but may I ask you one other question: I like what you say about faith in your top people and about running the actuarial risk, that you might suffer some losses down the line, but you gain a lot more in decision and confidence and dignity by the men who are making the decisions.

But do you think that that could all be helped, getting the American people to adopt that same point of view, having confidence in proven people—if we had a code of ethics, and a conflict of interest laws that were more specific and more comprehensive and more modern than those we have today? Do you think we would be helped to get to that point which is really a question of public confidence?

Mr. KENNAN. I am not sufficiently familiar with this problem outside of the limits of the executive branch of the Government, and Foreign Service, really to have a good opinion on that, Senator. I doubt that laws alone will do it. I think this is a matter of the spirit and the atmosphere, and I think that confidence and loyalty are received

in this world where confidence and loyalty are given. It is up to the senior people in Government to create an atmosphere in which the deepest disgrace that a man could suffer would be his own feeling of having let them down if he were not fully loyal, and if there were lapses in his integrity.

Senator JAVITS. Thank you.

Senator MUSKIE. The chairman, who just now had to go over to the Senate Chamber, asked me to announce that we stand in recess until 2 o'clock.

(Whereupon, at 12:30 p.m., the committee recessed, to reconvene at 2 p.m. this same day.)

AFTER RECESS

(The subcommittee reconvened at 2 p.m., Senator Henry M. Jackson (chairman of the subcommittee) presiding.)

Senator JACKSON. The subcommittee will resume its hearing.

Ambassador Kennan, I wonder if you would care to comment on the present nature of the threat. Is it diminishing; is it increasing; or just what is the situation vis-a-vis the Sino-Soviet bloc as of today?

STATEMENT OF HON. GEORGE F. KENNAN—Resumed

Mr. KENNAN. None of us, of course, know for sure what has been the effect of recent events on the Soviet Government, and on the relations among the Communist governments.

I am afraid, however, that there has probably been a deterioration from our standpoint in the situation with which we are faced.

Mr. Khrushchev was certainly not the ideal person from our standpoint. There were many elements in his outlook and his way of doing things which would continue to be a problem for us. But it is my impression that there were other people in the Communist bloc whose ideas and concepts of how they were going to proceed were even less fortunate from our point of view than those of Mr. Khrushchev himself, and it looks to me very much as though these other people had now received an access of strength and as though they might be going to control events from here on out.

It is too early to see yet what have been these effects. I am sure that very intensive reconsiderations of Soviet policy are in progress during this week. They will presumably find some expression within the course of the next few days. We will then know more where we stand.

I might just say this, Senator: I have always considered that the problem which the Soviet Government presents for us is a very long-term problem, and that while there may be fluctuations up or down from time to time in the attitudes of that government and in its behavior toward us—it is in a state of competition with us—of a very serious and in some ways dangerous competition.

I do not think, and I have never thought, that war is the answer to this problem, or should be regarded from our standpoint as the answer. Obviously we are not the only people who control this, and there are circumstances in which we would have no other choice but to defend ourselves. But I do not think that we should look to military means as the most desirable way of straightening this out. I have been reluctant to believe, all of my life, that it could not be solved by other means.

I do not think that we should get too excited by any of these fluctuations. We should not let our guard down in the good times, and we should not despair in the bad times. But it does look to me as though we are now going to be up against a stiffer attitude and a more ugly one on the Soviet side than we have known in recent months.

In these circumstances, I think that our response must be to collect our strength and our resources, and to proceed with even greater determination than before to do a businesslike job in the development of our relations with other countries, and in the strengthening of our own country, precisely in the way you are talking about in this subcommittee; in the streamlining, that is, of the processes of our own Government, so that we can pack a good, hard punch in whatever we try to do, diplomatically or otherwise.

Senator JACKSON. Our aim should be one of growing strength, should it not?

Mr. KENNAN. Growing strength in all respects, and not just in military matters.

Senator JACKSON. I am glad to hear you say that. When I speak of power, I am speaking of it in the broad context of military, political, economic and psychological strength—and the prestige that flows from those factors. This is in itself a very important thing, is it not?

Mr. KENNAN. Yes, indeed it is; and I think that this situation which we face today in dealing with Communist power, and not just Russia, but China, is one to which Theodore Roosevelt's well-known advice, "Speak softly, but carry a big stick," is very relevant.

I want to see us strong, but I want to see us be strong in a quiet and self-assured way, not bluster with that strength and not be tactless with it, but simply be strong and not talk about being strong.

Senator JACKSON. We don't need to be blatant about it. The most important thing is for the Soviets themselves and the Sino-Soviet bloc, to know of this strength, is it not? We do not have to engage in saber rattling.

Mr. KENNAN. That is absolutely true. They will know it if we are strong. One more thing is that I think we must be very careful not to cultivate strength in such a way as to give people the impression that we have despaired of any other way of ever settling the problems of the cold war.

In other words, let us not arm in such a way as to lead people to think that we think a military contest is inevitable, or that we have resigned ourselves to it.

Senator JACKSON. In other words, let us give our defense posture the recognition that it deserves as one of the elements of power that must be available to our Secretary of State and to our President in projecting and keeping and maintaining a sensible and a sound foreign policy.

Mr. KENNAN. That is absolutely correct, sir. May I add one word to that: As you perhaps know, I have been occupied for the last few years as a diplomatic historian and I have done a good deal of lecturing on the diplomatic history of this century.

I have been very much impressed with some of the dangers that arise from the militant psychology, especially from the example of the period of World War I. I see that people can get themselves in a

frame of mind where they are quite incapable of negotiating any sort of political compromise even when it is desirable, simply because they have fallen into so militant a state of mind that talking with the adversaries is inconceivable.

I think, despite the provocations that we have been given, and despite the feelings we all have about what recently happened in Paris, we should be very careful not to get ourselves into this state of mind, and we should remember that we must continue, as the President said in his speech last night, to find solutions short of war for these problems. We must not close the doors to that sort of progress.

Senator MUSKIE. Before you leave this subject, might I ask one question there?

I happened to be in the Soviet Union last fall when Khrushchev was here, and I traveled over much of the country. I gathered the impression that there is a very strong urge among the rank and file of Russians for peace, and particularly for friendship with the United States.

I could not help but wonder, since I had no benchmarks in this connection, whether this was simply a temporary reflection of the current image of the country as projected by their Government, or whether this was something that is a strong current in the reaction of the Soviet people toward the outside world.

Mr. KENNAN. Senator, I am confident that this is a longstanding condition in the Soviet Union, and a very extraordinary one, and one that ought to make us not arrogant, but humble.

The fact is that the people in the Soviet Union have shown, over the whole course of my experience with that country, a most extraordinary friendliness toward Americans. I lived there as Ambassador in what I am sure was the lowest point of relations with the Soviet Government we have ever had since we resumed relations in 1933, and that was in the last year of Stalin's life, and I was Public Enemy No. 1.

Senator JACKSON. In fact, you were evicted by the Kremlin, is that right?

Mr. KENNAN. That is right. And if people think that Mr. Khrushchev's speech of the other evening was strong, you should have seen the anti-American propaganda going around Moscow at that time; the fences were placarded with insulting posters about the United States. It was the time of the Korean war, of the charges of bacteriological warfare, and all of this sort of thing.

Yet I never, myself, met with a single instance of an exhibition of personal hostility from any person in Russia. I will never forget that I was also in Moscow on Victory Day in 1945, and a friendly, enthusiastic Soviet crowd demonstrated for 14 hours outside of our Embassy building and could not be induced to leave.

Senator JACKSON. This was a spontaneous and not an organized meeting.

Mr. KENNAN. If there was any organizational influence, it was in the other direction.

Senator JACKSON. The party line was already changing and it was rather hard even at that point to adjust?

Mr. KENNAN. That is right.

Senator MUSKIE. The existence of this feeling may be a partial explanation for the violence with which Khrushchev seemed to think that he had to make his point.

Mr. KENNAN. Yes, and I suspect that this would be even more true of the people who have been putting pressure on Mr. Khrushchev behind the scenes. I think that he individually is actually less afraid of these friendly feelings than are certain other people in his entourage.

Senator MUSKIE. Would you think that this most recent posture of Khrushchev and the Russian Government would have any material effect upon this feeling on the part of the Soviet people?

Mr. KENNAN. I think very little effect, although I must say that Russians are extraordinarily sensitive. To many of us they seem irrationally and abnormally sensitive to any secret penetration of foreign agents into their midst, or to the idea of people flying around over them.

This has always, to us, been a very strange sensitivity. So this last one may affect them more than other incidents.

Senator MUSKIE. Just the event more than anything Khrushchev said?

Mr. KENNAN. That is right.

Senator MUSKIE. Thank you.

Senator JACKSON. As a matter of fact, this last incident fits into their propaganda pattern, does it not, that they have built up over a period of years?

Mr. KENNAN. Very much so. The party has tried for years to cultivate this image of foreign capitalist countries dropping secret parachute agents into them, and that sort of thing.

Senator JACKSON. Now, if I might turn to another question in connection with a very interesting point that you developed, Ambassador Kennan—the role of the Secretary of State in the initiation and development of national security policies. Someone has said that the Secretary of State should be an orchestra leader in command of various instruments of policy; that he must have knowledge of them and must be certain those instruments are adequate.

Now, I take it that your position is that in the conduct of foreign policy, the Secretary of State today has to call upon many new elements that were not involved heretofore in what we call power. Is this a fair statement?

Mr. KENNAN. That is right.

Senator JACKSON. Is that a fair understanding of your position?

Mr. KENNAN. It is.

Senator JACKSON. The President is presumed to know everything about everything that involves the exercise of his constitutional power in all fields, and more particularly for our purpose he is Commander in Chief and he is the head of state and he is in the last analysis the man who is ultimately responsible for our foreign policy and the conduct of our foreign affairs, is he not?

Mr. KENNAN. That is right.

Senator JACKSON. If this is true, it follows logically that someone needs to pull these things together, so that the President can exercise his powers more efficiently, and more effectively, and needless to say more wisely through the support that he would get from, for example, the Secretary of State when it comes to his constitutional responsibilities in foreign policy.

Mr. KENNAN. Yes, Senator; that is quite correct, and that is what I had in mind.

The way in which our country conducts its affairs, that is, the way in which we live here on this land mass that we occupy, affects the lives of other people and of other countries in many more ways than most of us commonly suppose.

All sorts of things we do affect other countries, not just what we do with our Armed Forces, but the size of the Armed Forces we cultivate, and the way in which we cultivate them, and what we do with our radio wavelengths, and even what we do to the atmosphere, what we do to the ocean, our immigration laws—all sorts of things affect foreign countries.

What diplomacy really consists of is the discussion with foreign governments of these various impacts, and the working out of compromises, so that our life is made compatible with their life in a peaceful way.

Now, in order to conduct these discussions successfully, the Secretary of State has to have at least some responsible knowledge of a great many facets of the U.S. Government's activities.

The Department of State, in itself, has no instrumentalities for backing up policies. It has none of the sanctions for policy. It is usually the activities of other branches of our life which are under discussion in a diplomatic conversation.

In order to conduct this discussion, the Secretary of State, in my opinion, should have a good, responsible range of both knowledge and authority within the whole portion of our Government that deals with external affairs.

I am not sure whether I have made myself clear.

Senator JACKSON. In other words, for example, the Secretary of State must have some degree of competence about the makeup of our national defense forces. He certainly must understand our ability, for example, to supply technicians in key areas, which means that he must have available to him proper working relationships with the Department of Commerce and the Atomic Energy Commission.

Is that not what you are saying?

Mr. KENNAN. Yes.

Senator JACKSON. And the role of the Secretary of State today is a different role than it was 30 years ago, because in order to be effective at the conference table, he must not only have that knowledge, but he must also be the individual that portrays this total power of our country.

Mr. KENNAN. That is true, and he must be able to speak for a wide sphere of activities of the U.S. Government. You cannot separate these things.

It is not just in our relations with Russia, but sometimes even more in our relations with countries closer to home, and in our relations particularly with Latin American countries that I have felt that our diplomacy has been largely paralyzed by the inability to use more than a small segment of our contacts with this country for our own overall political purposes.

I think that all of our activities affecting a given country, be it Cuba today or Nicaragua some years ago, ought to be shaped to serve the basic policies of our country.

This cannot be done unless there is a wide degree of coordination of the activities of different sections of the Government, and different

agencies and departments. This we have not had in the past, and very often not only has the right hand not known what the left hand is doing, but the right hand has been crossing up the left hand at the same time.

Senator JACKSON. You have made very clear, I think, the responsibility of the Secretary of State in this year of 1960, and the years to come. That is to pull together and have this capability of dealing with all of the elements that make up power. I take it, and you alluded to it at the end of your statement, that this brings up the problem of coordination; does it not?

Mr. KENNAN. Outstandingly; yes.

Senator JACKSON. This means clear responsibility in one place for an announcement, or an ultimate decision, with the concurrence, if it requires, of the President, rather than confused responsibility, which usually results in no responsibility.

Mr. KENNAN. That is right.

Senator JACKSON. Do you follow me there?

Mr. KENNAN. Exactly. All of us who grew up in this country know enough about athletics to know that in most sports it is not the actual amount of physical strength you have but the manner in which you are able to coordinate that strength which makes you effective.

This is just the situation of our Government. We can build up great strength in many areas, but unless that is coordinated in such a way that it can all be used as an effective instrument of governmental power, it will not do us the good that it could do us.

Senator JACKSON. If you were an Atlas, it would not follow that you would be skilled in playing golf.

Mr. KENNAN. Precisely.

Senator JACKSON. The problem of coordination is so important that your Secretary of State, unless he has that capability, and unless he has that responsibility, really cannot in the end be truly responsible to the President in the way he should, with the demands being made today on our Department of State.

Mr. KENNAN. Of course, there have been other suggestions as to who could bear this responsibility that I have been speaking about. As you know, it has been suggested that there should be a special executive assistant of the President for this purpose, or that the Vice President should fill this role. These are very complicated problems, and one could lecture about them a long time.

I merely meant to say in my initial statement today that, so far as I can see, the solution that would have the least disadvantage would be to give this position to the Secretary of State.

Senator JACKSON. I want to raise what I think is an important question: What impact does the Bureau of the Budget and the budgetary process have on all that we have been talking about today?

Mr. KENNAN. Well, it has a tremendous impact because not all phases of foreign policy, but a great many phases of foreign policy, today, cost money in one way or another—cost the Government money.

Where they do, again, the ideas are, of course, if we are going to be effective, not just enough alone, but they have to be implemented, and unless they can be implemented and unless they can be implemented promptly in some instances, and also consistently over a long period

of time, sometimes over a period of many years, they lose their effectiveness.

Now, here is where we have often come into conflict with the Budget Bureau. I say "we" as though I were still a member of the executive branch of government. You cannot cure this in an old workhorse like myself. But here is where the rest of the executive branch often comes into conflict with the budget.

There ought to be not just a coordination, but really an intellectual intimacy between the people who shape foreign policy and the people responsible for shaping up the budget. By intellectual intimacy I mean this: The conduct of foreign policy requires a philosophy of public affairs. Any one who gets into this soon finds that you have to think about a lot of quite deep problems in order to know what you are doing. This involves questions as to what you think this country should be trying to do in foreign affairs, what sort of a country we are, and what is in character for us, and what is not. And if you are to have the proper coordination in Government, all of the people who are dealing with important segments of our behavior have to know something about this.

This is why I stress the intimacy of the President or the Secretary of State with other people in the Government. It is not enough just to try to say to somebody, "This is what we have decided." People have to understand the logic, the rationale, and the point of your action. I cannot stress this too much. The conduct of foreign policy is partly a matter of style. It is not just a matter of concept. It is a matter of the way you do things. This is terribly important, because one person can do a thing in such a way as to make the worst possible impression with it, and somebody else can do it in such a way as to be a diplomatic success.

Now, this spirit in which you act has to diffuse itself through the Government and, for my money, it has to diffuse itself to the Budget Bureau as well as to the State Department, or to anyone else who comes prominently into this act.

Senator JACKSON. This is a problem of our system of government and not of any one political administration, is it not?

Mr. KENNAN. This is quite true; it is a problem of our system of government, and I stress again that it becomes harder to solve this problem when government is vast and complex, and when there is no personal intimacy between the people who are conducting foreign policy and other important officials in Washington.

Senator JACKSON. Do you think that some of the budgetary guidelines that are developed may have a stifling effect, too, on new ideas and new projects. Is not the individual often advised that, "This is a wonderful idea, but it does not fit into the proposed guidelines"?

Mr. KENNAN. I am sure this can happen and it does happen. I see that this is a very difficult problem. The desire, naturally, of the people who draw up the budget is to know precisely what they are going to be in for during the coming year, whereas, the conduct of their national affairs is something which cannot be run entirely on the basis of prediction.

We are dealing here with a medium, the nature of which we do not predetermine entirely; we only determine a part of it.

For this reason, it has been my view for a long time, that means will have to be found in at least certain limited areas to give the executive branch considerable flexibility in this respect—budgetary flexibility. I know of no other solution to this. I think, perhaps, if people in the legislative branch of the Government have strong feelings about how this money ought to be used, it is proper and useful that they should say this in the clearest way; and perhaps in another year, if it has not been used that way, there must be some sort of a reckoning. But it does seem to me that in many branches of activity we will be cutting our nose off to spite our face if we do not permit considerable flexibility in the use of funds.

Senator JACKSON. Now, Mr. Ambassador, if I might revert a moment to the colloquy regarding the many elements that are involved in power, which the Secretary of State must have available to him. In this connection, I have been particularly interested in the development of individuals within the State and Defense Departments who have a broad understanding of military and foreign policy—a cross-fertilization between the two services and Departments.

I wanted to mention to you that we have talked with people in the departments concerned about the possibility of assigning Foreign Service officers for tours of duty within Defense, and military officers and civilians from Defense for duty within the Department of State.

I can think of some outstanding men in this connection. I know you can. For example, General Bonesteel, who demonstrated great capacity as a military officer and then participated, with magnificent comprehension of the problems, in the early stages of the Marshall plan.

I would like to have your comments on this point. We have even been thinking of a kind of senior officer corps.

Under the customary practice, as Senator Stennis knows so well, military men are caught in an automatic IBM machine. They serve a term as staff officers and then they must go out into a command position, even though the world situation, at the time, is such that their staff experience could add immeasurably to the knowledge that we need in a certain field.

I have considered the possibility of a senior staff corps to deal with military-political problems. Men could stay on after they reach a certain grade and be protected, promotionwise, and, perhaps, even take off their military uniform, and be a part of such a corps.

I would appreciate any comments you may have in this connection.

Mr. KENNAN. I very warmly welcome these suggestions that you have made. This is a matter which is quite close to my heart, not only because I had occasion to see a good deal of the relations between the Foreign Service and the military services during the war, but also because I was the first Deputy for Foreign Affairs at the National War College, had a part in establishing that institution, and went through it for the first year.

Senator JACKSON. I have had occasion to speak many times to the National War College, and those gentlemen can really give you a workout during the interrogation period. I recommend it to my colleagues.

Up here, we are on the interrogating end and it is very helpful to the improvement of the interrogating process to spend a few hours down there.

You leave with a better sense of humility.

Mr. KENNAN. This experience was a lesson to all of us in just what you were talking about, in the wealth of resources that the armed services have in men who could be useful in other parts of the Government.

This works both ways; and if I could, I would like to go one step further and call your attention to the problem that has troubled me very long, and which is intimately connected with this. This is the relationship of the Foreign Service to questions of military obligations and of the armed services.

During the war, we had no solution to this. The result was that the Foreign Service was unable to recruit, during the war, just at a time when we needed new personnel greatly, because it was felt we could not compete with the draft. Our officers were themselves regarded as subject to the draft, and this caused very great conflicts in their own minds as to where their primary duty to the Government lay.

I would very much welcome an examination of this problem, too, because I think, perhaps, something might be worked out whereby all entering Foreign Service officers might do their basic training. There has always been a certain amount of criticism, I think, almost totally unjustified, that the Foreign Service is a place of refuge for people who could not stand the physical gaff that the Armed Forces are supposed to stand. I personally would welcome it if every entering Foreign Service officer went through regular military basic training, if he has not had it. And I think that Foreign Service officers should then have an ordered relationship to the armed services, and ought to be Reserve officers. It ought to be possible to transfer them flexibly from time to time to military work, if they are needed.

There may also be cases where the Army needs an officer for purposes of liaison or of political advisory work, and you could very well then send a Foreign Service officer. A number of us served in this capacity with the Army for certain periods. I think this ought to be possible for anyone in the services, and I think it ought to work both ways, that you ought to be able to take military officers into our work.

Senator JACKSON. The British come quite close to this type of an arrangement, do they not?

Mr. KENNAN. They do. That is because of the far greater degree of civilian control of the armed services, which they have, and their general flexibility about arranging such matters.

But, I would like very seriously to urge that this question of the relationship of foreign service to military service be examined, so that if again—which we all hope will never happen—we find ourselves in a state of war, we can solve the problem of the relationships much better than we have been able to do in the past.

We can then use men where we need to use them.

Senator JACKSON. I think that your point on commissioning them in the Reserve is an excellent one, because it would certainly provide additional support to the military services, and vice versa, to the State Department. This would be especially true for younger officers who could meet certain minimum requirements.

I do not know of a better way to bring about a closer coordination than to have people in both departments getting their feet wet in this business.

We pass all kinds of bills and resolutions up here, and we can issue all kinds of directives on paper, but unless they actually lead people into these things directly, we would not be achieving this very important objective that you have in mind, would we?

Mr. KENNAN. No, sir, and I think that it would contribute to mutual respect between personnel in the armed services and the State Department if this relationship could be ordered. I would welcome it if Foreign Service people were caused to learn something about military life.

It would seem to me that would not be bad. There could be much worse ways of training them.

Senator JACKSON. I think you have touched upon a very important point, because those of us who have had a chance, in recent years, to watch our operations overseas, will find every now and then difficulty between the ambassador and the MAAG Chief.

I think if we are honest, we must admit that, going back many years, there has been a certain antipathy between officers within the Department of State and the Department of Defense, when you get down to certain policies. Is this not the case?

Mr. KENNAN. That is just what I think could be very well corrected by a closer identity of experience between the two services.

I would like to add that this has a bearing on the matters that Senator Mundt was asking about this morning, namely, the problems of security. I personally would welcome it if Foreign Service officers were subject to court martial for any dereliction of duty in the way of honor and loyalty, or anything of that sort, just in the way military officers are. I think that is the way it should be.

Senator JACKSON. They are officers in the highest sense, and this does not involve the question of militarization of the Foreign Service either. When you are an officer, you represent not just yourself, but almost 200 million Americans.

Mr. KENNAN. That is right.

Senator JACKSON. Unless there is some order or some discipline, the consequences of misconduct on the part of one individual can cause untold harm.

Mr. KENNAN. And it seems to me that if you had such a system where men were held to military standards, under military sanctions, then you could, perhaps, afford to relax some of the less desirable of the present security arrangements with regard to them.

Senator JACKSON. Senator Stennis is deeply concerned, Ambassador Kennan, with this whole national security problem. He is on three committees, Armed Services, and Space and Aeronautics, and the Appropriations subcommittee dealing with national security.

Senator STENNIS. I am here to listen, and it has been a great privilege to hear this outstanding witness, as well as to hear your discussion about many of the problems that come to the surface repeatedly in our Armed Services Committee work, and, in fact, throughout the Government.

I have just been handed here a statement that I had written up yesterday in which I just touched on the problem that we do not have enough men that are trained in international affairs. I mention that we have fallen back so very much, of necessity, on the military since World War II, and they have done an outstanding job.

If we had not had that repository, I do not know where we would have been. Still it is not the answer. I think that you have made very practical suggestions here. We in the Armed Services Committee feel there must be personnel brought up for an agency in a new category, part State and part military. I am satisfied that the lack of such personnel is one of the major weaknesses of our post-World War II Government in trying to handle our problem.

We should, on basis of this experience, make rapid moves, I think. You have given very concrete suggestions here. We have been concerned about a joint staff for the Joint Chiefs, and, perhaps a future single chief, that includes men disassociated from their services. I think the discipline and training of the military is very fine, but I do not believe that these men, at that level, can continue to be Navy men or Army men, and Air Force men, and still live up to their possibilities.

I think that you have made a real contribution here. I understand, Mr. Chairman, you want to go into executive session and I know the questions I am interested in have been answered. I heard your prepared statement this morning. I want to stay for the executive session, if I may, and thank you, again, for your testimony and for this privilege, Mr. Chairman.

Senator JACKSON. Thank you, Senator Stennis.

Senator MUSKIE, did you have any questions?

Senator MUSKIE. I will wait.

Senator JACKSON. Mr. Pendleton, the minority counsel, will have some questions.

Mr. PENDLETON. Mr. Ambassador, I was interested in the discussion here of the conflict between the diplomatic and the military point of view. I think an excellent illustration of that might have been that story of some years ago "A Bell for Adano." I think that conflict was within the military itself. But it illustrates to me most succinctly the sort of thing we have been discussing here.

Mr. KENNAN. Exactly.

Mr. PENDLETON. One of the points that you made in regard to a First Secretary interested me. It raised a question in my mind in this way:

Suppose that you created the position of First Secretary in the Government, otherwise known as the Secretary of State. Would you not have a problem, then, in interesting highly qualified people to come down for the position of Secretary of Defense, if they found themselves in a position of reporting to or through the First Secretary?

Mr. KENNAN. That is a very practical and, I am afraid, a very pertinent suggestion. However, I think that this would be true however you solved this problem.

The only alternative is to leave no single assistant or major assistant to the President in this field, and to let the present situation endure, which is that the Secretary of State and the Secretary of Defense and a number of other people concerned with national security report directly to the President, or try to compromise their views before approaching him.

It is also entirely possible, as I see it, that it may be better to leave well enough alone, and to get along as best we can with the present

system. But I have felt increasingly in recent years that this is not adequate and it is too much of a burden on the President, and that we do need someone who can take these functions over.

There, as you know, is a tendency—we know such arrangements exist—for this to be done through informal arrangements; that is Presidents sometimes find individuals to whom they assign, in fact, these functions, if not in name.

I do not know whether that is better or worse, and perhaps that is better, too. But I am inclined to think that it would be a good thing if this were more highly formalized.

Mr. PENDLETON. Certainly it is worth looking into very carefully.

My last point is this: You indicated the need for flexibility in the budget process. I think everybody agrees to that; perhaps everybody also agrees to the burden that having a budget imposes upon the operating agencies.

You do not have any thoughts as to any way to replace the budget process, do you?

Mr. KENNAN. No; I can see no way to replace the budget process. I do think that whoever runs the budget should be a person much more accustomed to dealing in the problems of foreign policy, and much more familiar with this field, and perhaps a person with some experience in it.

I think this would be very helpful. He must be a person who is capable of seeing that in the field of foreign policy you cannot work entirely on the basis of "programs," that very often you have to do things when and as the necessity arises. You have to improvise.

For that there must be sufficient financial flexibility so that it can be done.

Mr. PENDLETON. Thank you.

Senator JACKSON. Now, the subcommittee will go into executive session in accordance with the rules.

(Whereupon, at 3 p.m., the subcommittee proceeded in executive session.)

THE DEPARTMENT OF STATE, THE POLICY PLANNING STAFF, AND THE NATIONAL SECURITY COUNCIL

THURSDAY, MAY 26, 1960

**U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
*Washington, D.C.***

EXECUTIVE SESSION

The subcommittee met at 3 p.m., pursuant to call, in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Also present: Senator Stennis.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster C. Denny, and Richard S. Page, professional staff members; and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council.

Senator JACKSON. The subcommittee will resume its hearing in executive session.

STATEMENT OF HON. GEORGE F. KENNAN, FORMERLY DIRECTOR OF THE POLICY PLANNING STAFF OF THE DEPARTMENT OF STATE, AND U.S. AMBASSADOR TO THE SOVIET UNION

Senator JACKSON. I want to ask a question that relates to the National Security Council. I have before me your article entitled "America's Administrative Response to Its World Problems." Reprinted in our committee document "Selected Materials," beginning on page 107.

From page 115, I want to read the following quotation:

There is, of course, the National Security Council; but this is a body capable only of sporadic, solemn decisions, laboriously prepared and negotiated among the various Government officers prior to their submission to the President. It does not yet have, to my knowledge, the independent professional staff it would require for the kind of decision which is needed; and the very nature of its composition (the executive heads of various Government departments) militates against detached judgment. What the foreign affairs segment of the Government needs is not primarily an occasional National Security Council paper but intimate day-by-day, hour-by-hour direction, sensitive to the smallest significant change in the world situation. It needs, in the language of the day, to be ridden herd on; and this is precisely what the National Security Council cannot do for it.

Should I take it that this is still your judgment? This article was written in 1958, I believe.

Mr. KENNAN. Yes.

Senator JACKSON. Do you have any comments that you would care to make in this connection?

Mr. KENNAN. Insofar as I am aware of the way in which the National Security Council works—I realize that it is entirely possible that changes have been made in its procedures of which I am unaware—if it does, that is, not have today a professional staff as distinguished from an ex officio staff, this comment would certainly still be pertinent.

Now, by professional staff I mean a staff which is not sent in there from outside—which is not composed of officers who belong to the different departments and who bear an ulterior institutional loyalty in their staff work.

What I think that they need, certainly, is men who are not part of the Defense Department or part of the State Department but men who can speak entirely independently, who don't have to fear that they are going to be criticized, if they speak their minds, back in any office from which they might have been sent. This is no good for staff work, I assure you. If you send one officer from the Navy and one from the Air Force and one from the Army and one from the State Department, you do not get the sort of exploration you ought to get of the problems your subcommittee is engaged in. You just don't get an honest approach. I don't mean that the individual people are dishonest, I merely mean that they appear there from the start as the advocates of a point of view to which they are bound by tremendous institutional bonds of discipline and decision, and they would shock everybody back in the shop they came from if they went into the NSC and agreed to something that was not the view of people in their home office.

Senator JACKSON. Could I help to clarify one point here? I assume that what you are primarily commenting on is what is known today as the Planning Board. There is a small professional staff under the NSC, but what you are mainly speaking about is an arrangement like the Planning Board. What you are suggesting is that we follow the precedent of the policy planning staff in the State Department.

Members of that staff owe no loyalty to any particular division within State. They come in fresh and they will serve at the pleasure of the Secretary, and at the pleasure of the administration.

Mr. KENNAN. This is exactly what I have in mind, yes; and may I just make one more observation about the way that our planning staff was useful? I think, as I recall this experience, that perhaps our greatest usefulness lay in this common phenomenon.

As we took a problem under discussion in the staff and as we began to discuss various ideas of what could be done about it, we would invite representatives of the various divisions of the Department of State to come down and talk with us and hear what we were saying. They would sit there and hear all of this, and run back to the divisions saying, "You know what the planning staff is thinking of doing? We had better do something ourselves, quickly, before they go ahead and write a paper about it."

The very existence of this staff led to many decisions being taken, I think, in the geographic divisions, simply because they knew that somebody else was thinking about these things, and they didn't want the recommendations to come from any other source. I must say that whenever we saw this happening, we made it a rule to back out and to act as though we never touched the situation, because all we wanted was to get things done and we didn't care who got the credit. But this is one of the uses of a fully independent staff, it can raise questions which other people of their own accord might not have raised.

Senator JACKSON. It brings a freshness and a certain vigor and more important than anything else, a stimulant for new ideas.

Mr. KENNAN. Exactly. This is hard to get when you have an ex-officio staff, because people come in a guarded frame of mind, fearing that they will say something which their superiors in the office from which they came would not approve of. It is particularly true in the armed services, and not again because it is the fault of any individual, but simply because the disciplinary system within the armed services is what it is.

Senator JACKSON. Loyalty to the service becomes the predominant guideline, which is understandable, and last but not least, human.

Mr. KENNAN. And you get both the interservice loyalty plus the strong feeling that if the Joint Chiefs have passed a paper, it would be unthinkable for a military representative on a staff to say anything different than from what is in that paper.

Senator MUSKIE. It strikes me that with the growth in the size of our responsibilities, and the size of the problems and their complexity, and the speed with which we move around these days, actually what we are trying to do with all of this Government machinery is to enable the President to see more, and hear more, and comprehend more, and to consider more, discuss more, understand more, think more, and do more.

Now, obviously we haven't developed a race of supermen, so there is a limit beyond which he can work in this enlarged way. So we are trying to provide him with mechanical or organizational means for accomplishing this. It seems to me that we have to understand, and in the reprint of your article here it seems to me you bring it out, that in addition to trying to enable the President to do more, we have to understand that we have to narrow the area within which he can give personal attention.

Mr. KENNAN. That is absolutely correct.

Senator MUSKIE. Now, there are two ways of doing this: One is to actually withdraw his personal attention from many areas of the Government, and this is a horizontal restriction, or secondly, to lift him up above to some extent the larger area and deal with a more selective group of problems.

In other words, we have to lift him further above the routine and the lesser relatively unimportant decisions. It strikes me that the National Security Council does not do this. Indeed, I would like to get your reaction to the point that the National Security Council tends to deluge him with more business, if it works efficiently as designed.

The NSC would tend to deluge the President with more work and more decisions and more detail rather than less. Is this a fair judgment?

Mr. KENNAN. Yes, and I think it might help us to bear in mind Mr. Nitze's classification here, which I had not previously seen but I think it is a very useful and correct one, namely of what was, first, the assembling of information and the advisory function, secondly, the decision making, and thirdly, the execution.

Now, insofar as it serves this first function of the preparation for decision, I think that the National Security Council has this effect that you speak about.

I think that it is a very proper organization, and a very useful one to serve the President at the moment of decision taking. If I were in the President's position, I would certainly like to have the Secretary of State and the Secretary of Defense and my most responsible leading advisers around me, and to have a share in their thoughts at this stage, too.

Execution is something in which the members of the Security Council might help the President individually, but I don't think that they should help him as an institution. I think there has been a confusion of these functions, in the way that the National Security Council has been working. I think for the first function, preparation of the decision, the President should be helped by a professional staff of his own. He might want to consult his advisers as individuals, but not as a body. For some reason or other, this seems to me wrong that their advice should come to him as the advice of a body. He ought to have a free and flexible exchange of ideas with them at that stage.

When it comes to taking decisions, I think that this is perhaps more suitable. I don't see anything wrong in certain decisions, great decisions of state, being taken as decisions of this body, although of course the NSC, too, cannot absolve the President of the ultimate personal responsibility as President of the United States.

He cannot, as I understand it, delegate this authority in the formal sense even to the National Security Council.

Senator JACKSON. Could I ask a question there?

Referring to the professional staff, Mr. Kennan, would that staff be a part of the White House, or a part of the NSC apparatus? What was the context in which you said that?

Mr. KENNAN. My thought, and it is not one to which I have been able to give long reflection, but simply thinking about this today, is that the staff should be attached to the man who has the authority to act, and that is to the President himself. It should therefore be a part of the White House. The staff itself should not be a staff to an advisory body anyway.

Senator JACKSON. Such as the NSC?

Mr. KENNAN. That is right.

Senator MUSKIE. I do not know whether you can answer this, but do you think that there is an inclination when one is utilizing an organization such as the NSC, to assume that the answers produced by this machine are automatically the right answers?

There is a tendency to accept these answers without making a real effort to examine them and to modify them?

Mr. KENNAN. This is what I fear may have been happening in recent years. I know it happened to some extent in my period. The fact that the decisions of the body at the earlier stage, aside from the final Presidential approval, came up through such a tremendously

impressive hierarchy of authority, meant that by the time they were ready as a recommendation to the President, it was not an easy thing for anybody really to discuss them.

This was one great difficulty we had in the State Department getting any normal or proper discussion of decisions in which the Joint Chiefs of Staff were involved. If they knew a certain subject was going to be discussed, they took it under consideration before it ever got to the National Security Council level. Anyone who knows the decision-taking process of the Joint Chiefs of Staff knows that this is a very ponderous and impressive machinery in itself, and when you get a decision of the Joint Chiefs, to thousands and thousands of high-ranking people, it was something which not for anything would anybody want to question or go back on or change a word of.

Senator MUSKIE. It is like trying to argue with Univac.

Mr. KENNAN. That is right. Such a decision would then come into the National Security Council discussions. Now, you see, this wasn't right. The discussions in the National Security Council should, in my opinion, have been able to begin in a way much less complicated than with papers like this lying on the table. I don't know whether I make my thought clear, but people are already partly committed, or have a tendency to commitment, when documents of such authority and solemnity are there. This is already half of the decision.

Senator MUSKIE. I think General Cutler or Mr. Anderson made the point the other day that the Planning Board never submitted final recommendations to the Council, but alternative recommendations. Am I correct in that?

Senator JACKSON. Yes, if there were differences of opinion, their job was not to make the decision, their job was to present the alternatives, if there were alternatives. They would go to the Council on that basis.

Mr. KENNAN. I suppose this flowed from the fact that they were the staff of the Council and not of the President personally.

Senator MUSKIE. Yes.

Mr. KENNAN. The Council itself was a divided body institutionally.

Senator MUSKIE. We have been discussing today many principles or possible principles relating to this business of machinery, but I don't know that we have actually assembled the ingredients for a structure as yet. Would it be your judgment that the NSC should be a smaller organization and a less complicated one?

Mr. KENNAN. A less complicated one, you say? I am not sure that I am even up to date on its membership. I thought that it was carrying it a bit far to have the head of the National Resources Planning Board a member, as I believe he was in my time.

Senator JACKSON. That agency has been abolished, and so it is no longer a member. However, the successor to it is the Office of Civil and Defense Mobilization. He is a statutory member now.

Senator MUSKIE. I have in mind, Ambassador Kennan, the statement which Senator Jackson read as part of the paragraph:

What the foreign affairs segment of the Government needs is not an occasional National Security Council paper but intimate day-by-day and hour-by-hour direction sensitive to the smallest significant change in the world situation.

Certainly the National Security Council as now constituted is not that.

Mr. KENNAN. It is quite true, and that is why I meant to say before that I don't think it is suitable, really, as an executive organ in this sense, for the President.

Senator MUSKIE. You think it is possible to make it that kind of an organ?

Mr. KENNAN. Not unless some one person with real authority can preside over it daily, even in the absence of the President. This is my reason for feeling that the Secretary of State ought to have this position of primacy.

Senator MUSKIE. So we come back to that, which is a judgment you have persisted in for at least 2 years.

Mr. KENNAN. That is right.

Senator MUSKIE. Thank you very much.

Senator JACKSON. Mr. Pendleton, do you have any questions?

Mr. PENDLETON. Mr. Ambassador, I was delighted to hear your statement that you think the threat of surprise attack is overrated. I hope to heaven that you are right.

Mr. KENNAN. I hope so, too.

Mr. PENDLETON. Nothing could make me happier if you are right on that.

Mr. KENNAN. May I put a reservation in there. I think it was overrated in these recent years. If the atmosphere deteriorates now, I would not want to commit myself. It has always been my view that to the extent that this came to be viewed as a military contest between ourselves and the Russians, the danger of surprise attack might increase. And I would say this: If the Soviet leaders are ever put into a position by us, knowingly or deliberately or otherwise, where they believe war to be both inevitable and imminent, then I think we can expect them to try to choose the time of its beginning rather than to let that flow from the course of events.

Up to this time I had never thought that they had viewed war as either inevitable or imminent. Therefore, I did not feel that we were in any danger of surprise attack. But this is where we must watch the shaping of our own defense preparations extremely carefully, because if these preparations are of such a nature as to give the Russians this impression, we may produce consequences we didn't want to produce.

This is why it seemed to me highly undesirable for us to create a nuclear striking capacity which was only a first strike capacity, which could have been used only if the conflict were initiated by ourselves, and then to leave this capacity vulnerable to attack by them.

This is the worst possible combination of things that you could do. It would have been better not to have such a capacity at all than to devise it and leave it in such a way. And I must stress this very strongly: If we are going to base our security on these weapons, then I think that we had better do everything in our power to make it clear to the Soviet leaders that we do not propose to strike first with them at any point, and secondly, that they are not vulnerable to a first strike on the other side, because otherwise we may create an invitation we did not mean to create.

Senator JACKSON. Could I interrupt right there?

What you are saying is that we must have an invulnerable or a survivable deterrent force.

Mr. KENNAN. If we are going to keep that sort of weapon in existence, let us have it survivable.

Senator JACKSON. As long as they have a system that is in being and capable of a nuclear destruction of our country, and since we would never be the first to attack, the important thing is that they know that we have a sufficiently effective survivable deterrent to inflict the kind of damage on them if they strike first that would be unacceptable.

Mr. KENNAN. That is correct. What I do want to stress in reply to your question, is that if we continue to leave our retaliatory capacity largely vulnerable to their strike, and if then we contrive to give them the impression that we think war is imminent, then all bets are off so far as I am concerned. I make no predictions as to what they will do in such circumstances. I think it is then quite possible that they might take the initiative.

But in recent years, these conditions have not all existed, and for this reason I have not thought that we needed to fear this.

Mr. PENDLETON. Well, then, in your opinion a mix between the Polaris submarine, the Strategic Air Command, the intermediate range ballistic missile, and the various weapons of that kind would seem to offer us the opportunity for retaliation without at the same time forcing them to take the first step.

Mr. KENNAN. Yes, I think that these things are all useful in that respect, provided they are not cultivated in such a way as to give the Russians the impression we contemplate using them at some early date. I would not advise putting stories in the paper about targets in Russia. In other words, if these devices are cultivated in the proper way and the proper spirit, they are just what we need.

Mr. PENDLETON. For that same reason, you would not advocate any kind of a crash program to supply a certain amount of armament by a certain date in order that it might be ready for use by that date?

Mr. KENNAN. I think that this is extremely dangerous, to go naming terminal dates for military preparations, which give the implication that you expect any peak of danger to occur by that date. This is an old question. The Policy Planning Staff was once asked by General Marshall to give an opinion, precisely because the Defense Department was pressing along these lines as to whether the danger with which we were confronted by the Soviet Union was of a long, continuous nature or was one which would reach a given peak, for which we ought also to have a peak stage of preparation.

We strongly recommended that our preparations not be shaped toward any prospective peak of danger, but toward a long, indefinite period of preparedness. The same principle, I think, holds today.

Mr. PENDLETON. You referred earlier to the announcement in the papers of an NSC study. It is my understanding that, if that did involve NSC deliberations, it would not then have been announced. I don't believe that they announce anything that they do or have done. Am I incorrect in that?

Mr. KENNAN. My memory may have tricked me about it being NSC. It may have been some military planning echelon. However, I think that you will find the story within the past 4 or 5 days. If it would be useful to the subcommittee I would be very happy to dig it out and send it to you, or to the staff.

Senator JACKSON. That will be fine.

Mr. PENDLETON. Your next point concerned the desirability of the President's going to the summit meeting. Is it not true that the President was not among the initiators of summitry as a policy? Was he not extremely reluctant originally to engage in this type of personal diplomacy? Did it not come about only as a result of pressure from our allies, and after a very careful review with leaders in the Congress and the Executive?

Mr. KENNAN. I don't have the authority to answer that question. I can well conceive that it may have been this way, and certainly these meetings did not arise with him. I think that Woodrow Wilson was ill advised to go to the Paris Peace Conference in the circumstances, and I have never thought at the time that the summit meetings during the war were desirable, so that these are old and longstanding feelings on my part. I can well understand that the President may have been subjected to very heavy pressures in this respect, and it still does not alter my view that this is a manner of conducting diplomacy, which ought to be avoided as a general thing or resorted to only with the greatest of circumspection.

Mr. PENDLETON. From the conditions he first set up, as a precondition for going to the summit, the President apparently felt the same way; he was very careful to itemize quite a number of those.

Mr. KENNAN. That is right.

Senator JACKSON. I have one last question for clarification.

You spoke about the danger of announcing target dates for certain weapons systems, to reach a peak, and I certainly agree with the danger, from the public standpoint, of giving out such dates publicly. However, I assume that you do not want to leave the impression that we should avoid achieving a survivable deterrent by a specific date when our present means of retaliation might be placed in extreme jeopardy from a first strike by an adversary.

Mr. KENNAN. No. I appreciate your question, because it enables me to clarify my statement here.

I simply am against our acting in such a way as to convey to others the impression that we think a given peak of military danger is going to come at any given time in the future, unless that of course is really the case. But there has not been such a time for a long time, and I can remember when the planners within our Government were setting 1952 as a year of peak danger from Soviet attack, and we strongly disagreed with this, and I did personally, as Director of the Planning Staff, and I said, "I see insufficient evidence of this, and if you act as though this were true you may make it more true than it needed to have been."

Senator JACKSON. Are there any further questions?

I am sure I speak for the members of the committee, and I wish to express our appreciation to you, Ambassador Kennan, for taking time out and coming down here to Washington to help our committee and to see if we can find some solutions to these vexing problems. We are grateful to you for a very thoughtful and a highly provocative presentation of what I think are some of our truly great problems in the area of decision-making, affecting the national security.

Mr. KENNAN. Thank you very much.

(Whereupon, at 4:35 p.m., the committee was recessed subject to call.)

THE DEPARTMENT OF STATE, THE POLICY PLANNING STAFF, AND THE NATIONAL SECURITY COUNCIL

FRIDAY, JUNE 17, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice at 10 a.m., in room 3110, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Also present: Senator Mansfield.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, and Brewster C. Denny, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The committee will come to order.

The Subcommittee on National Policy Machinery continues today its hearings focused upon the National Security Council and its subordinate organizations, and the problems of coordination between the Department of State and Defense. These hearings have three purposes; first, to assess the adequacy of the policymaking machinery at the highest levels of Government to identify and plan ahead on the critical issues of national survival; second, to appraise the effectiveness of this machinery for coordination and implementation of policy; and third, to make such constructive recommendations as are indicated.

The subcommittee has heard a number of distinguished witnesses in this series, including the Secretaries of State and Defense, three former Assistants to the President for National Security Affairs, two former members of the Joint Chiefs of Staff, and the first Director of the State Department's Policy Planning Staff.

In view of the fact that our witness today served as an adviser to the Gaither Committee, I remind the members that President Eisenhower, in a letter to Senator Johnson of January 22, 1958, invoked the claim of Executive privilege in withholding the Gaither report from the Congress. This fact, of course, does not prevent our witness from giving testimony concerning his personal views about national security problems and issues.

The subcommittee is pleased to welcome today Mr. Paul Nitze, former Director of the State Department Policy Planning Staff. He brings to our discussion a rich background of experience and exceptional understanding of military-foreign policy problems. In addition to a distinguished business career, Mr. Nitze has held a wide range

of Government posts in the military, economic, and foreign policy fields. Since leaving his post as Director of the Policy Planning Staff, Mr. Nitze has continued to perform distinguished public service as adviser to the Gaither Committee, as an author, as president of the Foreign Service Educational Foundation, and through his association with Johns Hopkins University and its School of Advanced International Studies.

I might say in addition, as the members of the committee know, we have held hearings on the subject of getting better people into Government. At an earlier meeting when Mr. Averell Harriman testified, I mentioned the great contribution that Brown Bros., Harriman had made in the field of national security. I called attention to the fact that several members of the firm had made an outstanding contribution: Mr. Lovett, Mr. Averell Harriman, Mr. Roland Harriman, and Senator Prescott Bush, who now serves in the U.S. Senate. Today the witness who will give us testimony is a former member of another famous business firm in New York—Dillon, Read. From that firm several men made outstanding contributions in the field of national security. Everyone knows the great contribution made by James Forrestal, General Draper, who just completed a report not long ago on the subject of foreign aid, Mr. Douglas Dillon, currently serving as Under Secretary of State, and Mr. Ferdinand Eberstadt, who played a leading role in drafting the National Security Act.

Our witness today is Mr. Paul Nitze.

I also mention the great contribution from business on the part of the present Secretary of Defense, Mr. Gates. The point I want to make is that these men came to Washington at various times during periods of crisis, stayed on, and served their Government, not a few months, but many years. It is this kind of a tradition that we need to develop in this country if we are going to have the talent and the know-how that will carry us through for the long pull.

It is easy to get people when guns are being fired and everyone knows that we are in a national crisis. But to get people to stay several years is a difficult thing, indeed. I want to pay tribute this morning to our witness and the others like him who have set an example of high standard of public service that many, many other able people throughout the country could well emulate if this Nation is going to survive.

This committee is concerned about policymaking machinery. Obviously, the machinery and its improvement is important. But the best machinery that man can devise will be of little use and of no value if we do not have the top talent to utilize that machinery to advantage.

As the members know and as Mr. Nitze understands, we have agreed with the President that testimony by present or former Government officials who have served on the National Security Council or its subordinate bodies regarding the Council or its subordinate structure, will be taken first in executive session.

Mr. Nitze, we are delighted to have you with us today. I believe you have a prepared statement, and you may proceed in your own way.

Before I call on you formally for your remarks, I want to yield a moment to Senate Mansfield, who regrets that, due to the fact we are going into session in a few minutes, it will be necessary for him to go to the floor as assistant majority leader.

Senator MANSFIELD. Thank you, Mr. Chairman.

I just want to associate myself with the remarks you just made and to express my appreciation for the continuance in public service of Mr. Paul Nitze, who has made so many sound contributions while he was Director of the Policy Planning Staff of the Department of State, and who has since leaving Government kept alive his interest in foreign policy, and has made many significant contributions. It is a coincidence, I suppose, that you are appearing before us on June 17, 1 month after the debacle in Paris and 1 day after the cancellation of the President's visit to Japan which occurred yesterday. I am also glad to note that in the room is another foreign policy expert, a man who served with you on the Policy Planning Staff of the Department of State, and also made many sound contributions while a foreign policy adviser to Congress, Charles Burton Marshall. He likewise has kept alive his interest, and has also made many contributions to a better understanding of our foreign policy. I think that much good is going to come out of the hearings held before this committee, Mr. Chairman, and certainly in my anticipation not the least of the contributions will be those we expect from Mr. Nitze. I am delighted to have you here.

Senator JACKSON. The Chair might interject at this point and say that we have here almost a quorum of former members of the Policy Planning Staff of the State Department. Dr. Dorothy Fosdick, who is a member of the staff of this committee, likewise was a member. So we have three former members here today.

STATEMENT OF PAUL H. NITZE, PRESIDENT, FOREIGN SERVICE EDUCATIONAL FOUNDATION; FORMER DIRECTOR, POLICY PLANNING STAFF, DEPARTMENT OF STATE; ADVISER TO THE GAITHER COMMITTEE

Mr. NITZE. Mr. Chairman, any person attentive to the wide ranging and perceptive testimony already given before this distinguished subcommittee must wonder just how to add anything of value on his own. My ideas, far from being original contributions, can only serve to underscore points brought out by preceding witnesses.

The topic is the problem of gearing up the Government for effective foreign policy and defense policy. It is always with us—a problem never solved with finality.

These realms of policy do not differ from purely domestic policy in respect to purpose and controlling principles. All policies of this Government are supposed to be informed by the great purposes of the state laid down in the preamble of the Constitution. What distinguishes foreign policy and defense policy—the specific concern to this subcommittee—from the domestic policy is a matter of jurisdiction. Foreign policy and defense policy are directed toward the world environment. They reflect the national will toward matters lying beyond our jurisdiction. In that realm the Government does not exercise ruling authority. It cannot quite lay down the law.

It can at best only influence events and circumstances, not ordain them. Other wills are at work. They stem from premises and focus on purposes often different from our own and quite often not merely different but inimical.

This basic, simple characteristic makes foreign and defense policy more chancy and speculative and sometimes more exasperating than domestic affairs. While the inherent character of these realms of policy sets limits on what can be accomplished by planning, it also makes important and essential that we muster all the foresight, intellectual rigor, and circumspection that we can.

It is for this reason that I, among many, welcome the efforts of this subcommittee in developing a greater consciousness of the nature of policy in these fields and the problem of so organizing as to make possible our best performance.

There are dangers of oversimplification in any discussion of this subject. Analysis inevitably produces some distortion. One makes nice distinctions between policy formulation and operations or between command and staff functions. One draws neat charts dividing responsibilities into geometrically precise compartments. One speaks of levels of authority as if government could be arranged with the measured symmetry of a staircase. For analysis we divide things up; in practice they are all of a piece together.

Another set of difficulties arises. The precepts of sound policy and sound policymaking boil down to a set of maxims of copybook clarity—concepts indisputable and obvious. One is likely to say of them that the principles are mere matters of commonsense, that everybody knows them. In a way this is true. Yet I think also that something which Clausewitz said of warfare is applicable here. He said that the important things were all simple and that the simple things were most difficult. I am sure that there is nothing recondite about sound policymaking. On the other hand, putting the simple precepts into practice in a government is an enormously exacting task. It requires sustained and rigorous application and unremitting exercise of authority and intellect. Discipline and order within a governing apparatus have to be created anew continuously.

My own way of getting at the problem is to divide the field of policy according to the breadth and the duration of the ideas involved.

I would begin with the enduring end of U.S. policy toward the world external to our fiat. It is to maintain and to enhance conditions in the world environment favorable to the survival, as political realities within our domain, of the precepts and values chosen and asserted in the foundation of our Nation. This is the constant purpose. What it entails varies from one historic phase to another.

What it entails in any one phase might be called our national strategy. This strategy must be recast from epoch to epoch. To do this requires encompassing judgments and broad decisions which set the tone and establish the general premises of our undertakings in world affairs.

You may ask for examples. I suppose the first one in our national history was the decision to venture into independence, the decision that the Americans would constitute themselves as a nation, work out their own history, and deal with the external world in their own right. A second, surely, was the early decision to establish a base

of continental scope. A third was the great decision asserting the inviolability of the American Hemisphere.

More recent decades give us other instances: The decision recognizing the threat to us explicit in the ambitions of the Axis and determining to counter that threat; the decision to bring on and to relate ourselves to an organized pattern of international responsibility in the sequel to World War II; the decision recognizing the true nature of the threat inherent in the power and thrust of communism and of the necessity of countervailing action.

How are such decisions arrived at? One may often pinpoint their emergence in some specific pronouncement such as Washington's Farewell Message, President Monroe's message which marked the origin of what has come to be known as the Monroe Doctrine, or, to take a recent instance, the Truman doctrine. These specific, clear acts are certainly great sources of policy. They are also, however, results of policymaking. They were not struck off as sudden, original acts without antecedents. They emerged from great interplay of forces and ideas and hard consideration within administrations, between administrations and the Congress, and between governing institutions and the public. I know no way of reducing to a graph or to any neat formula the complexities that go to make up the great decisions of policy which in turn serve as the bedrock on which still further structures of policy are erected.

Take one decision which is rarely commented on: The decision which grew out of the experience of the Korean war to involve ourselves specifically and concretely by the continuing commitment of U.S. military forces to positions on other continents.

Parenthetically, it is noteworthy how often this aspect of the Korean struggle is overlooked. The tactical frustrations of the fighting on the Korean peninsula are dwelt upon almost to the exclusion of consideration of the great strategic decisions of global importance accompanying that struggle and essentially related to it.

What I wish to emphasize here is merely the elusiveness and complexity of these great decisions. They were of historic import. Yet, from what I know about the processes producing them, I should find it most difficult to identify the moment when it will become resolved, or when multifarious forces converged to produce one clear stream of action, or to say that this or that was the procedure by which it was accomplished.

What I would stress here is the fallacy of the idea—however much I find implicit in much that is said and written about policy—that the great decisions are matters requiring only periodic attention.

Decision in this field is not like buying a new car. It is not a case of giving heed to the requirements at stated intervals—making up one's mind on what model to get and then putting the matter out of mind until the thing becomes worn out or outdated by changes in style. The requirement is for unremitting hard work. The great decisions can be made adequately only in consequence of a great many contributory determinations.

The articulation of our national strategy by no means exhausts the formulation of policy. The attitudes, appreciations, and the will to act reflected in the major strategic determinations must take form in wide arrays of policy undertakings. Auxiliary actions to give effect

to our main intentions must be determined upon. Particular situations making demands upon our capabilities arise, and old exigencies decline—often in consequence of actions we ourselves have taken.

The allocation of resources among our purposes must be continuously reappraised and modified to suit circumstance. Specific policies must be refreshed in response to surges of change in an ever-fluctuating environment. Demands arise from political changes within and among other political entities, from shifts in their economies, and from the dynamic of invention. New means have to be devised for emerging situations. Our own schedule of priorities for action must undergo continuous reexamination so as to make the best use we can of what resources we can bring to bear.

So, to recapitulate, our policies have an enduring end. What this enjoins upon us, phase by phase, must be decided on in major strategic determinations. In keeping with these, a host of lesser and more particular decisions have to be made and actions taken—narrowing down to matters of mere detail and matters of limited and passing significance. Yet I would warn against any attempt to classify decisions according to any fixed scale of importance. There are great fluctuations in importance and difficulty among particular facets of policy from one phase to another. Problems have a way of blowing hot and cold—rising and falling in their criticalness, passing along on the escalator of importance both upward and downward. What are marginal problems in one phase may become central problems in another and vice versa.

Obviously, one characteristic of a properly functioning Government is that problems should always get to the proper level of authority for decision—proper according to a sensible notion of who should be deciding what and of the criteria for decision. This is something so easy to say and so very difficult to insure. Things go wrong when the level of the deciding authority fails to match the intrinsic importance of the things decided or when the criteria by which decisions are resolved are too narrow.

Obviously a proper economy of authority requires not only that decisions be recognized for their inherent significance, passed to a sufficiently high level of responsibility, and decided according to the fitting criteria, but also that the time of those in the high places of authority should not be squandered on questions of inferior importance. This is elementary.

Now there is no final formula for determining the ratios of importance among problems and assigning them to various levels in the hierarchy of authority—the question can be worked out only through constant superintendence.

The other main principles of sound policymaking can be reduced to similar simple statements of the obvious. The strategic concepts should be in focus with the actualities of the exterior world and represent an adequate correspondence to the enduring purpose of our policies. Our broad undertakings should be commensurate with the strategic appreciation. The particular actions giving effect to these undertakings should be up to the mark—that is, adequate with respect to the intentions they are supposed to effectuate. Our means should be allocated among these intentions in accordance with some rational and realistic conception of the hierarchy of our interests and

the range of our capabilities. All of it sounds so simple, and all of it is so endlessly exacting in practice.

If our problem were one of mechanics, we could devise our answers on charts, settle our difficulties by procedure, and keep things from getting out of hand by rigging up devices for balance and coordination. The trouble is, however, that our problems are not of this order. They involve another dimension—the factor of will. Empirical processes can tell us much about the nature of the world exterior to our jurisdiction and the forces operating in it, but they never complete for us the image of what these things are or the understanding of what we must do. What we must do flows, in part, from what we are. A study of the environment tells us the problems but never the answer for which we must strive. This must come from some inner dictate—from values inherent in our nationhood and in our concept of human dignity. The whole society is custodian of these values. The defining of what they impose on us in relation to our environment falls, above all and essentially, to the President.

The task of seeing that the major policies are all of a piece and that, taken together, they are congruent with the strategic concept determined upon requires continuous superintendence which only the powers of the Presidential office can supply.

I do not mean just an office. I mean also a man and his full attention. The appreciations necessary to the strategic conception which is the basic element of our policy cannot be achieved by intermittent attention. They cannot emerge from briefings designed to reduce all complexities to a nutshell. They cannot be arrived at through policy papers designed to cover up dilemmas and smooth over the points of crux. The job cannot merely be distributed among subordinates.

If this central requirement of Presidential leadership and executive energy is not fulfilled, it is difficult to the point of impossibility to redress the lack at other points. A thousand committees may deliberate, 10,000 position papers may issue, and the bureaucratic mills may whir to unprecedented levels of output in memorandums, estimates, and joint reports—but little will come of it all if the exercise of the central authority vested in the President is faltering, intermittent, or ambiguous.

What I point out here is a consequence of the way our system is geared up. This subcommittee, the Congress as a whole, or any number of people however concerned they may feel, cannot provide substitute answers.

The task of seeing that the major policies form a consistent whole, congruent with the strategic concept determined upon, requires continuous superintendence that again must fall mainly to the President's responsibility. I would not, however, expect any President to do this alone. He will certainly require a vicar, a general manager, a chief of staff, for the foreign policy-defense fields. I believe that vicar should be the Secretary of State. No committee can perform this function for the President. No council can do it. The role must be assigned to an individual—authorized, deputized, and recognized for that purpose. I believe he should have the backing of one of the line departments of the executive branch.

I know that it is a common practice to invoke the magic term "coordination." It is assumed that all that is required is to divide up the

pie of responsibilities between the departments and agencies of Government and then to direct that lateral coordination between them shall take place. I doubt that the problem is that simple.

The policy framework within which coordination is to take place is all important. Unless that framework is filled in first, coordination in foreign and defense policy become meaningless, even mischievous.

In this connection I shall quote from my colleague, Charles Burton Marshall:

My ears pick up on hearing some new plan for coordination among, say, the political, military, and economic aspects of policy. What shall one call the preeminent function, the engrossing principle—as to which the elements of policy are to be coordinated and to which they are to be subordinated—if not some political function or principle?

States relate to each other in many ways—the intimidatory or reassuring effect, one to another, of their capabilities for force; the interplay of their capacities to help or hinder or excel each other in production of goods and income; their influence on one another regarding the arts and training; the interchange among them, or the withholding, of organized knowledge about natural phenomena; and direct touch between governments through official channels and through the organizations created to facilitate interchange and collaboration. That list—military, economic, cultural, scientific, diplomatic, and organizational—is representative but not exhaustive. My question is: What is the political function if not that which encompasses, transcends, and interrelates all the other aspects? The political is the coordinating function, not a function to be coordinated.

A source of feebleness in our making of policy is that we have forgotten the preeminently and essentially political character of the state and have vainly expected coordination of policy to materialize without any sufficient political principle around which to coordinate its elements.

I do not mean to rule out committees and councils and the like. They are unequivocally necessary in running a government. Moreover, I am sure that the National Security Council as conceived in the National Defense Act of 1947 is an adjunct of high utility to any President who uses it rightly—that is, as a forum of decision and not just as a papermill grinding through the motions of action without really acting or formulating apparent decisions that often do not decide anything.

I do not intend to dismiss the staff function either. Ideas must flow in both directions—up as well as down—in the channels of policy. The President, his Secretary of State, and all the chiefs of the organs of policy concerned must always have the candid counsel and steadfast assistance of the best brains they can get.

This brings us to an old point of discussion: Whether organizations or individuals count for most in this respect. It is a futile argument. I cannot imagine any organization functioning in the abstract without people to fill the slots. I cannot imagine individuals at work in this field without some understood and rational relationship among them. You must have good organization to get good use out of the right people. You have to have the right people to make even the conceptually best organization work. Good men will demand good organization or else leave. Good organization makes it possible to get and to hold onto the talents of good people.

It is well to remember that we are speaking of functions of government, and that that word comes from a Greek verb for operating a ship. That requires a man at the bridge with a destination in mind and a sense of direction. It requires a first officer who accurately

reflects the master's intentions and estimates. Beyond that, the ship must be well organized and well manned. These are not two different things. It is not a question of which at the expense of the other. The two are mutually dependent.

The continuous reappraisal, the sensing of the exterior situation, the sensing of opportunities for action, the sorting out between the feasible and the infeasible in the realms of action, the anticipating of problems even before they emerge, and the recognition of those which have emerged for what they are—all these tasks integral to policymaking require mental exercise as exacting as any in human affairs.

It sometimes seems to me that the human attributes for this are the rarest and most highly required of all our needs. Yet in retrospect I often wonder at the richness of the talents available to the Government. Whatever may be wrong with the situation in which we find ourselves, I am sure that the deficiency is not in respect to the spirit and skills of the people available.

Yet we should not take the attributes of the right human resources for granted. The component elements—here I draw on my own recollections of the public servants of true creative value I have known in the Government—include, first of all, energy; sheer capacity to get hard work done. Second is acumen; the capacity to engage the mind with reality. Third is intellectual honesty. That is a moral quality involving a sense of devotion to truth, however painful and however at odds with what a superior may wish to hear. I recall a Secretary of State who in a salutatory address to the Department, laid stress on what he called positive loyalty. I think something should be said for the importance of negative loyalty also—a faculty for shaking the head and saying no when that is what the situation demands.

These are the qualities to be sought, cultivated, and preserved in the channels of policymaking. Good organization is that which attracts individuals with such attributes and makes good use of them by giving them scope and opportunity to be heard. There are no formulas for this in terms of structure and procedures. It is mainly and essentially a question of the spirit which informs policy from the center of authority.

In conclusion I offer a few tentative ideas on organization for policymaking in this complex and difficult field.

(a) The organizational arrangements must be responsive to the President's will. He alone can know his own requirements and how they can best be met.

(b) It would seem to me to be normal and sensible if the President were to turn to his Secretary of State to act as his general manager in the foreign field where diplomatic, military, economic, and psychological aspects need to be pulled together under a basically political concept. In this general manager capacity the Secretary of State would have the responsibility of seeing to it that the significant questions and data were brought to the President's attention and that he was spared the necessity of squandering his time on the less significant issues.

(c) If the Secretary of State has, or is given, this general manager responsibility, he will need a staff recruited, trained, and organized to help him in this policy development and coordination function.

This function is quite different from that of diplomacy for which most of the Foreign Service is now trained.

(d) The National Security Council, the Secretary of Defense's Office, perhaps the Joint Chiefs of Staff, and the Bureau of the Budget, under this organizational concept, would require staff people having general training and a point of view similar to that of the Secretary of State's staff for policy development and coordination.

Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Mr. Nitze, for an excellent statement. We are most grateful to you for your generous counsel and advice.

I should like to ask you a few questions before turning to my colleague, Senator Muskie.

Secretary of State Herter testified before us a few days ago about the tremendous burdens placed upon the Secretary of State because of attendance at the growing number of international conferences, the requirements of protocol, and the like. Some people have suggested that we should create a new position, a Secretary of Foreign Affairs. The holder of this position would report to the Secretary of State, but he would try to relieve the Secretary of State of part of the burden of attending international conferences, and some of the ceremonial functions.

Do you think such a proposal is worth exploring?

Mr. NITZE. I think it is definitely worth exploring. There are, however, possible objections to the idea. I think the principal objection stems from the fact that one needs one clear, senior person in this field of foreign policy, pulling together all the things which affect and which implement one's foreign policy. I take it that the idea would be that it would remain the Secretary of State's function to do that.

I think the person who does that on behalf of the President needs to have at least a good deal of the experience which the Secretary of State now gets from his personal negotiations with other foreign ministers and heads of states, and things of that kind. I do not believe that the President would be well advised to have a general manager who is merely a deputy in his own office. It would seem to me that this function requires a person who is really senior, who is in command of a line department. I believe that department should be the Department of State, and that the Secretary of State should both have the contact up with the President, and the experience, the wisdom, and the contact out to the principal people in other countries.

I know this places a tremendous burden upon the Secretary of State. I think it is important to organize the Secretary of State's office so that his time is economized as much as it is desirable to economize the President's time. I think one could contemplate additional positions within the State Department—the position of roving ambassador, for example. In fact, perhaps more than one such would be desirable.

Mr. Dulles served very ably in that capacity under President Truman and Secretary Acheson in the negotiation of the Japanese peace treaty. Other senior negotiations, top-level negotiations, have in the past been handled by an ambassador specifically designated for that purpose. Perhaps one could accomplish the purpose that is con-

templated by the appointment of a Secretary of Foreign Affairs through action of this kind.

It may be necessary, however, to give the negotiator a somewhat senior title. I take it this is why the proposal is made, and why it should be explored.

Senator JACKSON. Yes, I believe that is correct. I was particularly interested in your comments about additional ambassadors at large. Is it fair to say that if you fulfill two conditions, (1) appoint ambassadors at large, and (2) appoint men of international stature in that office, that will help to relieve some of the onerous responsibilities of the Secretary of State?

What I am getting at is that it is important not just to name an ambassador at large, but to be sure he is an individual of international stature. You cited Mr. Dulles. There are other examples, such as Averell Harriman. If you get a man of international stature with that office, you have then the dual combination that helps to relieve the Secretary of State of some of those responsibilities. Is that a fair estimate of the situation?

Mr. NITZE. Yes. Mr. Arthur Dean has been handling the law of the sea negotiation, which is a very complicated negotiation. I think Mr. Arthur Dean is recognized as an international figure in the world, due to his handling of the Korean armistice negotiation. Mr. William C. Foster handled our negotiations in the surprise attack negotiations in Geneva. He was head of our delegation. He, I think, is also recognized as an international figure, because of the various jobs in this field which he has handled with distinction in the past.

Perhaps one might generalize the idea I was suggesting before and say that what the Secretary of State needs is a whole stable of distinguished, experienced representatives that he can call on from time to time and at will and for as long as he needs them, to concentrate on specific problems and specific fields of negotiation where you need a distinguished person, a man of real experience and background, working at length on the problem. Mr. Frederick M. Eaton, I think, fits in the same category. He is handling our disarmament negotiation.

Senator JACKSON. In this same area, I want to turn to one other point. Mr. Lovett and Mr. Herter, as you may know, proposed a conference on protocol for the purpose of reducing protocol. In other words, there are certain activities, as I understand it—and Mr. Herter made this clear—where the Secretary of State's presence is mandatory under international protocol. Mr. Lovett mentioned the possibility of appointing a Secretary of Foreign Affairs. Mr. Herter did not think this would fill the bill. Mr. Lovett thought the idea should be explored, at least.

What is your reaction to the suggestion, and the need to reduce activities where the Secretary's presence is mandatory under international protocol?

Mr. NITZE. Anything that can be done to cut down on ceremonial functions and other functions which interfere with the Secretary of State's attention to the major policy functions which he must carry would seem to me to be helpful.

Senator JACKSON. Mr. Nitze, we have had, of course, in recent months, examples of summitry. We have had summitry in the past under several administrations. I wonder if you have any particular

reflections on this approach as contrasted with traditional diplomacy.

Mr. NITZE. I take it the question at issue is the level at which personal diplomacy takes place, because all diplomacy is in fact principally handled through individuals.

Senator JACKSON. That is correct, but historically you have those two general routes, personal versus traditional.

Mr. NITZE. If the implication of the word "personal" diplomacy means that it is largely the public opinion impact, the impact on world opinion, world psychology, if this is the main purpose of the negotiation, this is quite a different type of purpose than the purpose of arriving at specific agreement on difficult and complicated matters of international relations. If the purpose is to arrive at agreement on a treaty, for instance, it would seem to me that the public opinion type of approach may be important in the early stages before the matter is ripe for decision, just to set the right climate. But when you get to the real business of trying to arrive at the specific wording and the details of what each side proposes to agree to, then it would seem to me that this should be done—virtually all of it right up to the very end—through the traditional channels of diplomacy. It should be done largely in secret. I think it is only if it is done in secret that one avoids many of the pitfalls which otherwise are inherent in the process. I think it is much easier for one side to give and the other side to give and to find a common meeting ground if this is done at low levels rather than committing the prestige of the senior people in government.

Even though negotiating toward agreement should generally be done through the traditional pattern of diplomacy, this does not exclude other functions for Presidential visits, Presidential statements, and so forth.

Senator JACKSON. In other words, in its proper setting, top level personal diplomacy can be justified. But day in and day out, the traditional approach in your judgment is the soundest.

Mr. NITZE. That is correct.

Senator JACKSON. What are your views as to the values of so-called distinguished committees, such as the Gaither Committee, as a method for review of policy or policy procedures, and as a source of new ideas for policy direction?

Mr. NITZE. I think they can serve a very great function. The danger is that they may be regarded as a substitute for the responsibilities which only the executive branch, which only those within Government, can properly take. It seems to me that many of the distinguished citizens' committees have been used for this purpose as a way of dodging responsibility, rather than as a way of getting the best advice when one is prepared to accept responsibility and proposes to do something about it. At all, it is only those who will be responsible for the action that take place who can really finally determine a policy. The outside distinguished citizens' committees are perhaps more free to explore new facts; perhaps they can do a better job of integrating a complex set of facts, but in the last analysis it is a decision by the executive branch, by the people responsible in the executive branch, which is the precondition for action.

Senator JACKSON. Thank you. Your suggestions that the Secretary of State be in effect a general manager for the President in the

foreign field where diplomacy, military, economic, and psychological aspects need to be pulled together under a basically political concept is one which has been suggested in a number of forms on previous occasions before this committee and elsewhere. I wonder if you would under this concept make the Secretary of State senior to, say, the Secretary of Defense, or have him act without statutory changes as a kind of Assistant President, speaking for and with the authority of the President?

Mr. NITZE. I do not think it would be wise to change by statute the relationship between the Secretary of State, the Secretary of Defense, and the President. Today the Secretary of State is, I think, the senior member of the Cabinet by virtue of the history of the State Department. As I understand it, there were originally only three departments of the executive branch: the Department of the Army, the Department of the Treasury, and the State Department. The State Department handled all matters other than matters of finance and defense. It was really the arm of the President in the execution of general political policy. I think from that tradition, the Secretary of State always has been viewed as being the first among equals in the Cabinet. It would seem to me that this is all that is appropriate and wise and necessary. The Secretary of Defense on purely military matters, on matters having to do, for instance, with the organization of the procurement of weapons and material that we need, clearly should be in a relationship which goes directly from the President to the Secretary of Defense.

All I am suggesting is that there are areas which are of crucial importance where the military and the political cross, and where the problem really is a joint military-political problem. When it becomes a joint military-political problem, there you cannot just direct the Secretary of State and the Secretary of Defense to coordinate laterally. It is not going to work. You really have to look to one as being the senior.

The way in which this is done, and it seems to me properly done, is for the President to look to his Secretary of State for advice in this field. When the rest of the Government realizes that the President does so look to the Secretary of State, then they accommodate themselves, in these areas where the political and the military overlap, to the Secretary of State's guidance. They seek it. It is not that this is something imposed upon them. The military know that their job is to support our policy. That is the purpose of the defense organization and of our military forces, to support our policy. Where are they going to find help in the definition of what that policy is in terms that are meaningful to them? They can't go and should not go to the President every time this kind of a question arises. The President's time must be conserved to the important strategic or crucially important decisions. They want help. I think the place where they can get help is from the Secretary of State. But then the Secretary of State has to recognize that this is his responsibility, that it is up to him to give help and guidance to those portions of the Defense Establishment that want guidance on policy so that our military policy can become an integral part of our overall policy.

Senator JACKSON. Your point is, then, in summary, I take it, that there is no need for a statutory change. This approach that you

have suggested involves basically the philosophy that the President himself adopts or does not adopt in the utilization of the Cabinet positions.

Mr. NITZE. That is correct, Mr. Chairman.

Senator JACKSON. Another proposal we have heard advanced before the committee is that we should create Cabinet positions for three Secretaries; one in charge of diplomacy, another concerned with information, and the third with foreign economic matters. These three men would in turn report to a sort of super-Secretary who might be called the Secretary of Foreign Affairs. What are your comments on this proposal?

Mr. NITZE. Again I think this is a proposal which merits exploration. My first comment would be that I would prefer to see the Secretary of State be the designation of the top position. This has been our traditional title for the senior person in this field. I would hate to see it lost.

Secondly, a question arises as to what the relationship should be between the Secretary of State and the Secretary for Foreign Affairs.

The third question arises as to whether one really wants to put the whole economic field and the information field on a coordinate level with the conduct of diplomacy and the conduct of our foreign affairs.

I think however, that the idea is worth exploring. Certainly the foreign economic field is a field of growing importance, of very serious importance today. Certainly the information field is a problem of very great importance. I don't have a firm feeling one way or another about this suggestion.

Senator JACKSON. Do you feel that the economic field is particularly ripe for handling in this way? Mr. Dillon certainly is a man well qualified in the economic field. I am sure you would agree on that.

Mr. NITZE. Yes. The current arrangement by which the Under Secretary of State has the power to guide the foreign economic activities of the U.S. Government gives one even a higher level for the guidance of these economic activities than I think one would have if one merely had a Secretary for Economic Affairs. If one's main channel of recommendation to the President in the foreign field is through the Secretary of State to the President, then the Under Secretary of State becomes, in real terms, a more effective person than some other Cabinet-level person, irrespective of his title. The thing that counts is where he is in the effective channel of command.

I would say that Mr. Dillon today is very high in the effective channels of command in this field. So I don't think that one gains anything by setting up a separate department with a Cabinet-level officer. I think one is apt to overestimate Cabinet-level rank as being something important. It is important in protocol, but I doubt if it is that important in the way in which decisions in fact get made and executed.

Senator JACKSON. As far as you are concerned, Mr. Dillon has a pretty clear line of authority and it is well defined?

Mr. NITZE. I think that is correct.

Senator JACKSON. Secretary Herter has come out in favor of a greater exchange of personnel between the Departments of State and Defense for the purpose of creating more officials with nonparochial

backgrounds of experience. Do you think this would be a good step?

Mr. NITZE. I think this would be a very good step. It might help in the training and recruitment of a pool of people who could fill the staff functions which would be called for by the conception which was in my prepared statement. If the Secretary of State is going to take on an increased measure of responsibility for policy guidance in the political areas where defense, economics, and diplomacy overlap, then it would seem to me he needs the help of staff people who not only have the inherent qualities of ability and character, but also long training and experience with political matters, military matters and economic matters, so that they can give staff assistance to the Secretary in performing this function for the President. I think the suggestion you refer to would help in that regard.

Senator JACKSON. Along this line, Secretary of State Herter also told us that as a long-term goal, he thought it might be desirable to have a representative of the State Department sitting as an adviser to the Joint Chiefs of Staff. When we discussed this point with the Secretary of Defense, he felt it might be useful to have a high representative from State assigned to the Office of the Secretary of Defense.

Do you have any comments on this sort of proposal for coordination between the Departments?

Mr. NITZE. There are many ways by which this type of coordination can be done. In our day we used to have weekly meetings between a group from the State Department directly with the Joint Chiefs of Staff. We used to spend 2 or 3 hours once a week with the Joint Chiefs of Staff. At these meetings we talked out any problems which were of interest to them and any problem which was of interest to us. This was not for the purpose of arriving at a decision. The NSC was the appropriate channel through which a decision was to be made. But this was of invaluable help, I think, to both of us in keeping our understanding of their problems current and their understanding of our problems current.

Senator JACKSON. It was helpful in getting good ideas up to the NSC level, was it not?

Mr. NITZE. It was even better than that. You needed this in order to have the knowledge and background by which you could even develop the ideas. Unless you had this degree of understanding of the real problems of the Joint Chiefs of Staff, you could not really work out the ideas to be submitted to the NSC.

Senator JACKSON. On that same point, do you think it would be desirable to have a representative from the Joint Chiefs or the Secretary of Defense assigned as an adviser to the State Department, say, on the Policy Planning Staff, or for that matter in the Office of the Secretary of State?

Mr. NITZE. I am somewhat skeptical of the idea of representatives of the Joint Chiefs of Staff or of the State Department going to this, or that, or the other group. The point is not to have somebody representing the bureaucratic position of the State Department vis-a-vis the Joint Chiefs, or representing the bureaucratic point of view of the Joint Chiefs vis-a-vis the Policy Planning Staff. To have the Policy Planning Staff function as I would like to see it function requires that everybody there work as a member of the Policy Planning Staff with no particular bureaucratic jurisdictional or topical points

of view. Everybody has to work together as an entity. If you have on this group somebody whose specific job is to represent the viewpoint of the Joint Chiefs of Staff, I think you change the nature of the institution. What is required here is not cross-representation. What is required here is joint development of ideas in a field which affects policy as a whole. What we are talking about here are political-military problems and not just military problems or purely diplomatic problems. So here you have to work on these things together. It is the State Department and the Joint Chiefs of Staff together who have to work up the recommendations which eventually go up to the NSC and the President for decision.

Senator JACKSON. I take it your point is that the Policy Planning Staff should bring together people who do not have rigid and fixed positions—people who have ideas to offer, and who, with intellectual honesty, achieve a policy position that draws from the rich experience containing all of the elements that should be brought together in coming up with a specific position to be recommended to higher authority. Is that a fair statement?

Mr. NITZE. That is a fair statement.

Senator JACKSON. I have a lot of other questions, but I just want to ask one or two more.

Your predecessor on the Policy Planning Staff, Ambassador Kennan, has suggested that there is a serious overstaffing in the Government, including the Department of State.

I would also be glad to have your comments on the role of intradepartmental and interdepartmental committees.

Mr. NITZE. I think the problem flows in part from the preceding matter we have been discussing. If it is not clear who is giving the guiding political concept under which coordination is to take place, if you are merely trying to get agreement between State, Defense, the International Economic Administration, or what have you, and nobody knows exactly what is the idea that you are trying to carry out, you can carry on committee meetings forever and a day. You can elaborate staff. You can turn out papers. The issue is never decided because you have no resolution of will according to which a decision can be arrived at. So what you need in order to make a committee work is, I think, a chairman who will take responsibility to get a decision made, even if all the rest of the members of his committee are against it. He has to make this decision, however, with every member of his committee having had a full opportunity to put forward their point of view.

Secondly, the chairman should be geared in to the main line chain of policy formulation. If this question is one which cuts across military, diplomatic, and economic lines of consideration, then it would seem to me the chairman of the interdepartmental committee should be a State Department person in a direct line or chain of responsibility to the Secretary of State who in turn is in the direct line to the President. Certainly every other agency could appeal the decision through its direct line to the President. But if the President consistently backs up the Secretary of State, and if the Secretary of State supervises and sees to it that the people down the line from him are carrying out or developing his and the President's political concepts as to how these things should be done, then I think one can get

dispatch in Government. Things can move rapidly and you can make much more effective use of the talents of Government. Then, I think, one can use large numbers of people effectively.

I think what George Kennan was worried about is that if you have large numbers of people who are not working in some effective scheme of organization, they fall all over each other and they make the job more difficult. They don't help. I think the task that faces the U.S. Government today is so great that one needs fully the number of people we have working on policy matters that we have today. But one needs to organize them so that one gets more effective results from them than one does today.

Senator JACKSON. And with emphasis on quality.

Mr. NITZE. That is correct.

Senator JACKSON. I have many more questions, but I want to turn to my colleagues. Senator MUSKIE.

Senator MUSKIE. Mr. Nitze, as I consider the number of witnesses we have had and some remain, I don't understand why we are not holding these hearings at Bar Harbor, where it would be much more comfortable.

I was interested in your statement and also in your discussion with Senator Jackson and your recommendation for a general manager. I was struck by your use of the word "vicar." I thought I might check the dictionary to make sure of my own recollection. A vicar is a substitute in office, a deputy, that is God's vicar. Did you use it in this sense?

Mr. NITZE. It seems to me that the term "chief of staff" had a purely military connotation. The term "general manager" had primarily an economic connotation. I found it difficult to find a third term which gave a sense of what it was that I had in mind. It seems to me in part that the function should cover a deep political relationship. He should be the second in command in putting together the political ideas of the President in relation to the external field. This has to do with spirit as well as will and analysis of fact. What term could come to mind? It seemed to me that vicar was the best I could think of.

Senator MUSKIE. I am not going to get into too many details. I would simply like to clarify what I understand to be your point of view. Incidentally, I would like to say it is a beautifully articulated one. It has struck me as these hearings have gone on that one of the problems involved is that of dividing the President's responsibilities into two groups: The primary responsibilities that bear most heavily upon national security, and the secondary responsibilities which perhaps roughly might be described as more nearly in the nature of house-keeping, and might even include responsibilities in the domestic field.

It seems to me that in some respects our organization has tended to fragmentize both groups of responsibilities. What we really ought to be doing is expanding the secondary group of responsibilities and delegating them and restricting the field of primary responsibilities to which the President can really give the kind of attention he ought to.

Is that a valid point of view in your opinion?

Mr. NITZE. It would seem to me that there is some degree of difference between the domestic field and the things that bear upon the

foreign interests and purposes of the United States. In the domestic field, it would seem to me that the Congress can and does play a more substantial role in the determination of policy than it is possible or proper for the Congress to play in the foreign field.

In the domestic field the execution of policy is of the true essence as far as the President's responsibilities are concerned. So the functions of the Budget, of the Treasury, of the recruitment of personnel, of the management of the executive end of the Government would seem to me to be a prime responsibility of the President.

In the foreign field, it would seem to me, as is recognized in the Constitution, the President has a somewhat greater relative sphere of responsibility vis-a-vis the Congress than he does in the domestic field. So I find it difficult to look at the foreign field and the domestic field as being quite on all fours.

Senator MUSKIE. If I draw the proper implication from what you said, then we ought to free up the President's time to deal more effectively in the foreign field and perhaps divorce him a little more from direct responsibilities in the domestic field.

Mr. NITZE. For instance, it would seem to me quite possible that a deputy in the White House dealing with budgetary, personnel, and other management functions, as the President might have been considering, might be helpful in the domestic field. I don't know. I don't think the same difficulties arise as I think would arise in the foreign field if one had a person in the White House who was more or less general manager in that area.

Senator MUSKIE. With respect to this objective, is it your judgment that we need more organization or less organization or simply a different organization than we now have which would help the President discharge his foreign responsibilities, which are the diplomatic and security responsibilities?

Mr. NITZE. I was suggesting that the present organization could be made more effective if one went at it in a different way. I was suggesting that one strengthen the staff assistance primarily to the Secretary of State, but also in part to the National Security Council staff, to the Secretary of Defense, the Joint Chiefs of Staff, and perhaps the Bureau of the Budget; that one create a staff corps which would have the necessary general training. This does not necessarily mean more organization. I think this again fits in the category of trying to develop tools which would make the existing organization run more smoothly.

Senator MUSKIE. It seemed to me implicit in what you said that too much organization can become an objective in itself. Do you think imposing this new suggestion, which is not really new organization but simply a different concept of the existing organization, upon present structures would constitute overorganization?

Mr. NITZE. I think it would make the current organization work more effectively and that it does not constitute overorganization. I would think it simplified the organizational problems that exist today.

Senator MUSKIE. I have no more questions.

Senator JACKSON. Senator Javits.

Senator JAVITS. Mr. Nitze, we welcome you here. I am sorry I was not here earlier. I have read your statement.

As I see it from what I have heard from your answers to questions, the central core of your point is that we have to coordinate, we have to tie together—I see you don't like the word "coordination"—the diplomatic, military, economic, and psychological aspects of our national strategy in some organizational form. Would that be a fair summary?

Mr. NITZE. Yes, that is correct.

Senator JAVITS. That implies, and I wish you would state this, that this is not being done now.

Mr. NITZE. I think it is not being done as well as it could be.

Senator JAVITS. Or let us say adequately.

Mr. NITZE. That is a matter of judgment. I don't believe it is adequate.

Senator JAVITS. Would you say that to tie these aspects of our national strategy together is essential to our national security?

Mr. NITZE. I think this is correct.

Senator JAVITS. Your practical suggestion is exactly the same as that of Ambassador Kennan, that the President should turn to the Secretary of State to be the lieutenant who ties these aspects of the national strategy together.

Mr. NITZE. Yes.

Senator JAVITS. You say, and I could not agree with you more, that this is no substitute for the directive, for the objective of what is to be the national strategy.

Mr. NITZE. Yes.

Senator JAVITS. We are dealing here with policy machinery, but would you wish to state, because after all the machinery derives from the objective, your concept of the national strategy at this time? What should it be?

Mr. NITZE. I attempted to state it in as simple terms as I could in my statement. I think this goes back to the question as to what one conceives to be the main and enduring objective of our foreign affairs. I take it on this there is not too much disagreement; that is, the fostering of an environment in the world within which a nation such as ours with purposes such as ours can survive and prosper. I take it that the problems that we face in the world today are twofold. One is that the system of world order which existed prior to World War I was shattered by World War I and World War II. That preexisting system of world order revolved around the balance of power in Europe, England's control of the seas, the economic system which really flowed from London. That British leadership, and the balance of power in Europe, no longer exist. I would think that one of the prime purposes or prime elements of our national strategy today is to work on the constructive job of building a system within the non-Communist world which gives a degree of order, which is a framework within which the new and emerging countries can develop economically, politically, and where the disagreements between the various parts of this system will be limited, and where warfare does not get out of hand.

I would say that the second part of our national strategy is to protect this constructive job from frustration by the U.S.S.R. and its bloc.

The question of what you do in order to most effectively handle the threat constituted by the Soviet Union and its bloc in turn divides itself up into a number of significant questions. I should think that

your national strategy then would have to be spelled out area by area as to how one views these tasks and what are the appropriate means, what kind of things can we really carry out within the resources that we are prepared to make effective.

I would add a third point to this question of national strategy, and that has to do with the interrelationship between our domestic line of policy and the foreign line of policy. Do we consider this foreign policy to be something which is just to be added onto the primary responsibilities of government which run to the domestic end, or do we consider this to be something on a coordinate level or even perhaps a more important level? This goes to the whole allocation of our effort and resources to the various areas of policy. I should think all these matters were part of a national strategic concept.

Senator JAVITS. So you would place the main effort, as I see it, on the integration of the free world.

Mr. NITZE. Concurrently one must defend it, though.

Senator JAVITS. I understand. But the main effort would be the integration of the free world?

Mr. NITZE. That is right, in the sense of building a structure of order in the free world.

Senator JAVITS. You would defend it against the U.S.S.R. You would relate it to domestic policy. But the fundamental thrust of our national strategy, as you see it, would be the integration of the free world.

Mr. NITZE. That is correct.

Senator JAVITS. Do you think that this results from what happened in Paris, or was this your view before?

Mr. NITZE. This was my view before.

Senator JAVITS. Do you think that this has been made more certain by what happened in Paris?

Mr. NITZE. I think it has not been made more certain. I think it has been made more doubtful.

Senator JAVITS. I did not mean so much as to its success. I meant as a line of strategy. You are surer of it now than you were before?

Mr. NITZE. I don't have that hopeful feeling. I am not quite as optimistic as I believe you are.

Senator JAVITS. I don't think you quite get my point. I am not asking you for a qualitative judgment so much as to say that you are confirmed in your opinion that this must be the main threat by what happened in Paris.

Mr. NITZE. That is correct.

Senator JAVITS. That is all I had in mind.

Do you think the Secretary of State is the proper officer with whom we ought to do something along this line?

Mr. NITZE. That is correct.

Senator JAVITS. And such practical suggestion as you have is contained, as I read it, in your recommendation:

It would seem to me to be normal and sensible if the President were to turn to his Secretary of State to act as his general manager in the foreign field where diplomatic, military, economic, and psychological aspects need to be pulled together under a basically political concept. In this general manager capacity the Secretary of State would have the responsibility of seeing to it that the significant questions and data were brought to the President's attention and that he was spared the necessity of squandering his time on the less significant issues.

Mr. NITZE. That is correct.

Senator JAVITS. Mr. Gates, who testified before us, feels that should not be done. He and Secretary of State Herter should be coordinate officers on the same level and liaison between them, using that word in its professional sense, is adequate to do everything that you say ought to be done.

Mr. NITZE. I profoundly disagree.

Senator JAVITS. In other words, you don't think it is being done now or is capable of being done now under existing lines of authority as laid down?

Mr. NITZE. No; I think it is capable of being done. I do not think it is being done.

Senator JAVITS. If it is capable of being done, then do we need to deal with the machinery? Isn't your point that we have to change the men?

Mr. NITZE. I think we do have to change the men. I do not think that the prime job is the machinery.

Senator JAVITS. That is the main point that I wanted to get from you, because that is after all what we are considering. We are considering whether to offer legislation to change the machinery. If it is your judgment that the machinery is okay, if you had the right fellows running it, it seems to me that is the answer.

Mr. NITZE. It seems to me that is correct. The machinery is OK. If you have the right fellow running it on the right idea—

Senator JAVITS. Then you would agree with Gates. Gates said you don't have to change the machinery.

Mr. NITZE. As I understand it, the machinery which exists is the machinery that the President wants and that he feels is performing the functions which he wants it to perform. I have heard Mr. Gray so testify. If that is so, I don't know how one can from the outside change this.

My first point in my recommendation was that the machinery should be responsive to the will of the President in this field.

Senator JACKSON. Senator Javits, I wanted to interject earlier that I think our job in this committee is twofold: To recommend changes on a statutory basis in the machinery, and then to make general recommendations as to the use of machinery which would not involve statutory change. I just want to mention that. I am sure you agree that we might well make suggestions as to how machinery could be used in a better way by the incoming President, no matter who that President might be, based on the testimony that we have received, and the wise counsel of our witnesses.

Senator JAVITS. As a lawyer, I would say we would either seek legislation or give our reasons for not seeking it.

Senator JACKSON. That is another way of saying the same thing.

Senator JAVITS. Except that we do not have jurisdiction except in respect of legislation. I think that is a very important point for all congressional committees to remember. We are not running the executive department unless it is in respect to legislation.

Thank you, Mr. Chairman.

Senator JACKSON. That is right. I have an idea that all Presidents will welcome suggestions now and then. I have heard that even Senators and Congressmen write letters to the President suggesting that

certain things be done. Now, I take it if that is true, it is not out of order for five Senators to do it all at once.

Senator JAVITS. I think we want to do a good deal more than write him a letter.

Senator JACKSON. We will write a number of reports.

Might I just touch on two last questions in the open session, and then I will turn to the minority counsel, Mr. Pendleton, and Senator Muskie, if he has any further comment.

Should State and Defense and perhaps other agencies concerned with national security participate fully in the initial establishment of budgetary guidelines for national security programs? I am talking about programs in the broad sense and not just military hardware.

Mr. NITZE. I think they should. As I understand it, this was the traditional practice. At the beginning of the budget year, it was the practice of the Bureau of the Budget to call in State, Defense, and all the other people involved, and have a preliminary go-around of the problems as they saw them, and discuss the budgetary requirements which these problems might entail. This was the first step in the budgetary process each year. I believe in recent years this has been somewhat curtailed by the policy of fixing a budgetary limitation in the defense field, at least, for a long period of time. So this is now decided not year by year but has been decided over a number of years in advance.

Senator JACKSON. Which precludes any realistic participation.

Mr. NITZE. That is correct. It is merely a question of how you divide up the pie.

Senator JACKSON. We have heard a great many proposals for making greater use of contract research in the general field of policy planning. I am referring, of course, to the Rand-type organization. I am not referring to Rand as such, necessarily. Some say, for example, there should be a State Department Rand. I would welcome anything you might like to say about making greater use in general of contract research in the field of policy planning.

Mr. NITZE. I would welcome greater flexibility in the executive branch to contract for such research. I believe the Rand Corp. has provided analyses that have been of great value to the Air Force. Stanford research has done work for the Defense Establishment and the Army which has been of great value. I believe the Institute for Defense Analyses and a number of other people have done very useful work, primarily, however, in the area where technology and military strategy overlap. They have dealt primarily with the question of what you can develop through technology to meet various military problems. I don't believe that much work has been done in the area where defense considerations and political, diplomatic, economic considerations, and psychological considerations, overlap. I believe this is a more difficult area in which to do contract research. Research is more difficult in this field than it is in the purely technological field. I still think, however, that the executive branch ought to have greater freedom, and this implies, of course, some money with which to contract for such research.

Senator JACKSON. One last question, Mr. Nitze. Many people have commented on the question of how well we are organized and staffed

to do a good job on the whole problem of disarmament. Would you care to comment briefly on that subject?

Mr. NITZE. I should think this has been one of the areas where we have not been well set up to do the necessary staff work. After Mr. Stassen resigned, or was relieved of his job, I think there was a very great hiatus or long hiatus in which there was no really effective staff organization within the executive branch devoting its primary time and effort to the problems of disarmament. I believe when Mr. Foster went to Geneva as head of our delegation in the initial surprise attack negotiations, he had, I think, 2 or 3 weeks within which to recruit his staff prior to the opening of the negotiations.

The staff work was done concurrently with the negotiations. When Mr. Foster returned from those negotiations, I believe that staff was allowed to evaporate. I think even today the staff work on disarmament is highly restricted in relationship to the magnitude of the job. I can recognize the difficulties in getting this organized, but I do not believe that a good job has been done in providing the staff work that we need for the exploration of the complexities of this field.

Senator JACKSON. Mr. Pendleton.

Mr. PENDLETON. Dr. Nitze, in your comments about the liaison between the Department of State and the Department of Defense, you gave some indication that the people involved might be a problem as well as the machinery. I was wondering whether you were referring to the Secretaries or their staffs?

Mr. NITZE. Incidentally, I am not a doctor. You flatter me when you give me that designation.

Senator JACKSON. Mr. Nitze was formerly an investment banker.

Mr. NITZE. I have some difficulty recollecting that portion of my testimony to which you referred. At one time I was referring to the qualities of persons that one would seek in staff personnel to help the senior members of Government, the Secretary of State, Secretary of Defense, and the Joint Chiefs.

Mr. PENDLETON. It was your exchange with Senator Javits where he questioned what we are looking at, machinery or people.

Mr. NITZE. I took it what Senator Javits was referring to was primarily the person of the President. I had testified that I thought that the organizational arrangement should be responsive to the will of the President.

I had also said that I thought that the present arrangements were satisfactory to the President, at least those close to him have so testified. Therefore, Senator Javits very properly said, then what you are suggesting is that this is a question of men rather than organizational arrangement, and I think he was suggesting that another man in the White House might wish different types of organizational arrangements. I think this is correct.

Mr. PENDLETON. Thank you.

Senator JACKSON. This will conclude the open session and the committee will declare a brief recess, and then we will meet in executive session.

(Thereupon, at 11:45 a.m., a recess was taken, pursuant to which the committee proceeded to executive session.)

THE DEPARTMENT OF STATE, THE POLICY PLANNING STAFF, AND THE NATIONAL SECURITY COUNCIL

FRIDAY, JUNE 17, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 11:55 a.m., in room 3110, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Javits.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Brewster C. Denny, professional staff members; Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council.

Senator JACKSON. The committee will resume its sitting in executive session as previously announced.

Mr. Nitze, based on your experience, what do you think are the prerequisites for the NSC to function best as an advisory mechanism to the President?

Mr. NITZE. I think the prime prerequisite is that the staff work that is done in the NSC machinery bring before the President and the Secretary of State, and the other full-time members of the NSC, those issues which really should be discussed by the NSC in good time, and with the appropriate data and material attached thereto. This is necessary so that the full-time members of the NSC can have and do have a real discussion of the basic and most crucial issues.

Senator JACKSON. In other words, for the most part the NSC should be limited to the critically important issues.

Mr. NITZE. That is right.

Senator JACKSON. As I recall, you were the State Department representative on the NSC planning board which was then called the senior staff.

Mr. NITZE. That is correct. At one time I was.

Senator JACKSON. What are your reflections on the strengths and the weaknesses of the planning board device?

Mr. NITZE. It was my feeling that there were certain types of things which it was very difficult for the senior staff to do. It was very difficult for the senior staff to originate basic ideas of policy. Most of the work of originating papers which contained new approaches to

foreign policy was done outside of the NSC machinery, generally with the knowledge of Jimmy Lay, who was secretary of the senior staff. But the atmosphere within the NSC senior staff was not conducive to original and integrated policy formulation work. I think the reason the atmosphere was not conducive to that was that all the members of the senior staff felt themselves to be representatives of the organizations that they were representing. They felt that the forum of the NSC was so close to the President and the ultimate power of the President's power of decision, that when one went into the NSC framework, one was approaching a decision on policy which could very seriously affect the bureaucratic interest of your own department or agency. Therefore, from the first consideration of a problem in the NSC the members of the senior staff viewed the process as a negotiation of the bureaucratic interests of the people involved. That is not the atmosphere in which one produces integrated, sound, original, comprehensive approaches to new upcoming situations.

You could get another atmosphere in ad hoc committees, recruited from the most talented, most knowledgeable people, either from the staff of the Joint Chiefs of Staff or the Secretary of Defense's Office or the Bureau of the Budget or the Treasury or the economics organizations of Government. They would know about the given problem that you were working on. They would have the talent and intelligence to come up with something. You would then put them together in an ad hoc committee to work on this problem. They would know that the final result or the resulting paper still would not be a decision. It still would have to be subjected to the NSC coordinating and decisionmaking process. I think every paper in our day that was worth anything was generated outside the NSC and then went into the NSC for coordination. Not all of them even went to the NSC for coordination. Sometimes the President and the Secretary of State and the Secretary of Defense would decide the matter themselves without the benefit of the NSC discussion, because time was short, or it was something they did not want decided that way.

By and large, the NSC procedure was available to the interested agencies, if they did want to have that kind of treatment of the paper.

Senator JACKSON. Do you think your comments apply today? I take it that the burden of your position is essentially that the senior staff or the planning board, as it is called now, is not necessarily the best forum for the generation of new ideas. Is this still true?

Mr. NITZE. Obviously I have not had the same contact with the NSC machinery as I used to have prior to June 1953. But my guess would be that it is still true. I know of nothing that has changed in the structure to make it easier today to generate new ideas thoroughly integrated and worked out.

Senator JACKSON. What changes do you think could be made, especially with reference to the planning board, that might take the ideas that come up through the various departments and really sift them and digest them and come up with some creative criticisms and suggestions based on those ideas?

Mr. NITZE. My personal view is that it would still be better today to do this function outside of the NSC. But your question relates to a different question.

Senator JACKSON. Yes.

Mr. NITZE. You say let us suppose that the President has decided that he wants it done through the NSC staff; then how might the NSC staff be so set up as to do this job more effectively than it has been possible in the past.

Senator JACKSON. Without duplicating the work of the Policy Planning Staff and the work of the Joint Staff in Defense.

Mr. NITZE. I think it will in part duplicate it. I don't see how you can avoid it.

Senator JACKSON. I mean without doing a complete job of duplication.

Mr. NITZE. I should think the first question would be the question of whom one selects as the director of the staff, and what he then understands his responsibility to be. I think the directors of the staff have up to today understood their responsibility to be that of assuring, first of all, that there has been full coordination, that each one of the departments, members of the NSC, have had a timely and adequate opportunity to form their views, and that the NSC does take account of their views. They have not considered it to be their primary responsibility to come up with new suggestions. In fact, they have shied away from this.

Senator JACKSON. What in your judgment is the appropriate role of the Secretary of State within the NSC, particularly in the light of your concept of the primacy of the Secretary of State in the formulation of State, Defense, and other elements of foreign policy?

Mr. NITZE. Frankly, I think the Secretary of State's role in the actual meetings of the NSC has been such as I described. I can't think of any meeting of the NSC in Mr. Acheson's and Mr. Truman's day in which Mr. Truman did not look to Mr. Acheson first for a statement of the views of his advisers. I can remember occasions on which Mr. Truman decided contrary to the advice of all the members of the NSC except himself. If he was looking for advice, he would look first to Mr. Acheson. I think the same was true of all the meetings that I saw in which Mr. Eisenhower and Mr. Dulles were in this relationship.

Mr. Eisenhower looked first to Mr. Dulles for Mr. Dulles' views. I think the occasions were few and far between as I understand it when Mr. Eisenhower decided contrary to Mr. Dulles' recommendations if there was a conflict between Mr. Dulles and the Secretary of Defense, for instance. On occasions, as I understand it, he again decided independently on some matters contrary to all his advisers, which is proper. Therefore, it is not so much to the way the meetings of the top members are conducted that I was addressing myself; it was rather with respect to the subsidiary structure of problems.

Senator JACKSON. What is the role of State in the drafting of NSC papers and what should it be?

Mr. NITZE. I think most of those papers which have an important component of diplomatic or overall political interest have been assigned to the State Department for primary responsibility in preparing the original draft. At least this was so in the days that I recollect. I can think of few papers which really had a high diplomatic or political content which were not assigned to the State Department. Those which were of a purely military content were assigned to the Depart-

ment of Defense. I don't know how one would change that. I think that is probably the way one should do it.

You earlier suggested that the President might desire that the NSC staff itself produce integrated, new papers. In that case it would seem to me one would assign the drafting to the Assistant to the President for the NSC Affairs and the NSC staff. One would suggest to them that they prepare the primary draft, utilizing people from the Joint Staff, the Secretary of Defense's Office, the Policy Planning Staff, the particularly interested divisions or bureaus of the State Department, Bureau of the Budget, Treasury, and so forth, as the need arose. This could be done.

There is not any mechanical reason why it could not be done.

Senator JACKSON. I take it, though, you prefer the primacy of the State Department.

Mr. NITZE. Maybe due to my experience. I have seen the other system work. It seemed to me to work reasonably well. I could visualize its working again. This idea of having the NSC staff do it itself is one that could work. I can see things that would make it difficult. But it might very well be possible.

Senator JACKSON. In short, how would you summarize the main shortcomings of NSC as you have come to know them?

Mr. NITZE. These difficulties have had a history. The initial difficulty with NSC was that it dealt only with specific questions. Policy toward Berlin, policy toward German elections, policy toward Latin America or parts of Latin America, policy toward Russia. It did not address itself to the overall question of the strategic concept which we proposed to follow. I think this was the situation up until 1949, until the series of papers beginning with NSC 68 was undertaken.

From that time on, the main difficulty with NSC had to do with the relationship between the resources which were to be made available for the execution of policy, and policy. Our tendency had been to write papers in which we discussed objectives. What were our objectives with respect to China? What were our objectives with respect to European integration and developments behind the Iron Curtain? These objectives were always the desirable things which we would like to see happen. They were not the things to accomplish which we necessarily were prepared to allocate the necessary resources. So that during this period, our main problem was to convert the NSC approach from being one which was discussing merely the desirable to one which bore on a close relationship to reality, one which dealt with the specific difficulties of the situation and translated objectives into intentions. That was our main problem during this period.

Senator JACKSON. Along that same line, I wonder if you could refer to your experience in connection with the development of NSC 68 without getting into the substance of it, because we do not get into the substance of these matters. What comments do you have to make in light of that experience and any lessons that can be derived from it? NSC 68 is the document that called for very substantial buildup, among other things, of our defense capability prior to the Korean conflict, as I recall it. I believe you and Mr. Marshall and Dr. Fosdick and others of the policy planning staff were involved in that, and you were chairman of the staff at the time. I wonder if

you could use that paper as an illustration to comment on, without getting into the substance of the document.

Mr. NITZE. It is rather hard to do because the substance of the document related more to the nature of the approach than to any specific recommendations. As I stated earlier, our difficulty up to that time had been that we had no NSC papers which dealt with our full problem. The papers up to that date dealt largely with the major components of policy rather than policy as a whole. The attempt in this paper was to deal with policy as a whole. So it did deal with the question of the enduring ends of our policy. It did deal with the threat under which we conceived that we were and the nature of that threat. It dealt with an estimate of enemy capabilities and our capabilities and enemy weaknesses and the various openings which were available to us. It dealt with the question of what hope there was for a modification in the nature of the Soviet regime and of its ambitions and its ends. How could one modify this? What was the character of the struggle which existed between us? What kind of risks were we running? What kind of requirements did these risks suggest that we needed to fulfill? What was one apt to foresee over the course of time as being the development of this contest? What alternatives of action did we foresee before us? What was apt to happen if we followed one general line of policy or another general line of policy?

It also attempted to estimate our economic and domestic capability of providing the resources for the various alternatives which is discussed. It finally came out with a recommendation for one of these lines of policy.

But as I say, I think the important thing about the paper was the comprehensiveness of the approach rather than the particular recommendations contained therein.

Senator JACKSON. This was the first real pulling together at the summit level of government of all of the component parts of policy into one cohesive whole that would provide for some meeting of broad strategic requirements in the light of the threat that was not only one for that time but for years to come.

Mr. NITZE. This is correct. I would not want to suggest that this kind of an approach had not been in the minds of the senior people of government prior to this time. I think the great period of policy-making in the U.S. Government was in the spring of 1947 when the inherent decision was made to face up to our responsibilities in the world and to the nature of the threat under which we were. A whole series of actions were taken. This was a very rich period of policy-making and decision. NSC was brand new. We had no general paper. You can still make policy, you can decide without this kind of machinery, without reducing to paper all the various points involved. So NSC 68 was the first attempt to put into a piece of paper an integrated approach. It would be presumptuous to suggest that this was the first time that we really developed a true national strategy. We had done that before.

I would like to make one further point, if I may, Mr. Chairman, and that is to me the main value of the NSC approach—it causes people to focus upon a time range which is longer than the usual time range that they have in mind. The forum is one in which you tend

and usually do look at problems 5 years ahead. Perhaps one also looks at their implications for 10 years ahead or for a long period ahead. Also, it is a secret forum. It is a forum where you can really let your hair down to discuss what you really believe about things.

In the conduct of government, it seems to me to be a very important thing always to keep the flag of hope and of optimism flying every day, no matter how bad the situation is. The President, the executive branch of Government must do that. They must carry forward with full optimism and on the confident side, rather than on the pessimistic side, if they want to carry others along with them. But within the councils of government when you are looking at problems 5 years ahead, and at their implications 10 years ahead, it seems to me to be necessary to look with all care, realism, even skepticism, at what is apt to be the situation 3, 5, 10 years ahead. It is only if you take the required measures today in good time, when the problem is not there, or is not realized by the public to be there, that you will be in good shape at that later time to meet these upcoming problems.

As an example, I could refer to the problems of the Japanese peace treaty. As early as 1953 it was evident that the specific language of the treaty did not really reflect the understanding between the parties. The language of the treaty gave us the unilateral right to determine what use we would make of various military facilities in Japan. Even by that time, many of those who worked on the matter were fully cognizant of the fact that those bases would not be effectively available to us, and should not be so considered, unless the Japanese agreed with us that what we might consider to be a threat to the peace of the Pacific was one which they also considered to be a threat to the peace of the Pacific.

As I understand it, our Ambassador in Japan recommended at least 3 years ago, and I think more than that, that the actual wording of the treaty be changed to bring it into closer conformity to the true understanding before the issue became a matter of public interest in Japan. The reason it would have been wise to do it then was for the very reason that there was then little pressure on us to change the treaty. I think at that time an opportunity existed for making the change which was not taken. In part, our difficulties in Japan today are due to the fact that too optimistic a view was taken 3 or 4 years ago as to the long-run developments in the Japanese situation.

Senator JACKSON. I will conclude by referring to the testimony of Dr. James Perkins in executive session, which was released to the press, which is a summary statement of his judgment of NSC. He said this, and I wonder if you would agree with it:

In short, it has served the process of interagency agreement well. It has not served the job of creating new policy lines and for anyone to expect that it would, would seem to me an error in organizational judgment.

Mr. NITZE. I am in general agreement with that. I think I would phrase it differently.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. I think you have covered the whole subject so thoroughly I hesitate to take time to ask any more questions. I would like to ask if you would comment more specifically, if this is within your experience, on the effectiveness of the Operations Coordinating Board.

Mr. NITZE. I really have had very little experience with the Operations Coordinating Board. In the days when I was in the Department it was called the Psychological Strategy Board. It seemed to me that at that time its charter was overambitious. It seemed to me that it would have been more effective had its responsibilities been narrowed somewhat and brought down to a narrower range, dealing more with the public opinion reaction to the things that we were doing rather than purporting to be an agency through which the main lines of action were to be coordinated. It was never going to be able to do the job of coordinating the main lines of action of military, diplomatic, and other policy.

Senator MUSKIE. As it has been presented to us in these hearings, its principal function today appears to be that of implementing the policy decisions of NSC.

Mr. NITZE. I think this is too much of a load for the organization, or perhaps too much organization for the load. This really has proliferated into a panoply of committees and people.

Senator MUSKIE. I think this has an interesting bearing upon your observation that we tended in our policy papers to make simply a statement of desirable goals, without too much consideration of detail or applying resources to implement those goals, and so on. If the Operations Coordinating Board is not the kind of agency to do this, is there some other type of agency that can, or is it an organizational problem at all?

Mr. NITZE. I doubt if it is an organizational problem to which a general rule of thumb can be applied, or some standard procedure. As I recollect, its problems change in significance. Take, for instance, the Iranian oil problem which started quite small and got more and more important—originally this was a problem which properly was in the hands of the Iranian desk officer. Then it got to be a problem so important that it was in the hands of the Iran-Turkey-Iraq division chief. Then it was a primary concern of the Assistant Secretary for Middle Eastern Affairs. Finally the President and the Secretary of State, the Policy Planning Staff, all became involved in it. It did have interdepartmental considerations. The ODM and the Defense Establishment and various other people were interested in it. It came to be of obvious general international importance, with the British primarily involved. Certainly, you needed organizational machinery to cope with the problem. But that machinery had to evolve as the problem evolved. So at one time I remember we used to have a daily meeting of a group which seemed to be the appropriate group to bring about the coordination, and not just the coordination but the direction of action with respect to this problem. If you just take some standard operating procedure, I don't know how you would apply this to Iran or Berlin or what have you. These things go up and down the line of importance. I was trying to suggest that in my opening statement. At one stage in a problem it will be appropriate to have the decisions made here, in another stage it is necessary to have them made at a much higher level.

Senator MUSKIE. You think it would be preferable, then, to eliminate the Operations Coordinating Board and rely upon existing departmental lines for implementation?

Mr. NITZE. I don't know enough about it to have a firm opinion. My offhand opinion would be yes, scrap it and start anew. I think this is a tremendous organization which, as I understand it, has devoted itself largely to the preparing of papers and has not succeeded in effectively directing the conduct of policy or of producing action which is going to bring about the desired results. I think it has been a diversion of the time of important people from things that they could have done better if they had been given a freer hand to organize themselves, to really get something done, rather than just reducing something to a piece of paper.

Senator MUSKIE. Narrowing the same line of inquiry a little more, with respect to political policy that has military implications, to what extent should the NSC independent of the Department of Defense undertake to implement this kind of policy, and to what extent should it follow up the implementation of this kind of policy?

Mr. NITZE. I am afraid I did not quite understand the question. I got the implication you were suggesting that the NSC, independent of Defense, might do something in the defense field.

Senator MUSKIE. I am thinking of this. A political policy is set with respect to some country or some area of the world, which has military implications. The instruments for providing the tools to implement this political policy are now in the Department of Defense and the Budget. To what extent should the NSC have a function, in addition to setting this policy, with respect to its implementation in the military field?

Mr. NITZE. I should think, for instance, taking the case of South Korea and its defense, that the Department of State would have a very great interest in whether or not and how nuclear weapons might be introduced into the defense of South Korea. Similarly, with respect to the offshore islands. Under what circumstances and how does the Department of Defense propose that nuclear weapons be used? This has implications for policy that I think are overriding. I do not see how one could simply say this is merely a problem and then assign it to the Defense Establishment. This is exactly what I was trying to get at in my prepared statement. It is not enough to cut up the pie of responsibility and say this is a defense problem and therefore should be decided by the Defense Establishment. This is a problem which can make or break foreign policy. This is something that could affect every other part of your foreign policy if it is decided unintelligently or under inadequate criteria.

Senator MUSKIE. Do you think NSC as an organization can bring these two together?

Mr. NITZE. I think it can play an essential role. I think the primary work on it has to be done by the Secretary of State and his staff, and then you use the NSC in order to be sure that all the agencies of Government have had a chance to express their considered views on this, and that the President then makes his decision on it in the light of the hearing of the considered views of all the other agencies.

Senator MUSKIE. In a sense aren't you thinking of the NSC as a staff function for the Secretary of State?

Mr. NITZE. In part I am. Basically, of course, it is a staff function for the President. But if the Secretary of State is in fact his vicar, general manager or chief of staff in this particular field, then this is

the staff that is working for the President and the Secretary of State to assure real consideration, coordination, decision in the light of the facts.

Senator MUSKIE. Would your answer be basically the same with respect to bringing NSC or the Secretary of State closer to the budget process and its impact upon policy? Would you say that the Secretary of State ought to be the instrumentality for reviewing the budget implications?

Mr. NITZE. I think, in certain instances, he should. In fact, I think he does.

Senator MUSKIE. Outside of his own department?

Mr. NITZE. Outside of his own department. I think the decision, for instance, as to the level of foreign assistance appropriations which would be approved by the Bureau of the Budget for submission to the Congress was made by the Under Secretary of State and the Director of the Bureau of the Budget in collaboration.

Senator MUSKIE. Is this true of the defense budget?

Mr. NITZE. I think it should be. I think the Secretary of State has almost a paramount interest in the level of defense which will be available to support policy.

Senator MUSKIE. It seems impossible that we have covered so much ground in such a short time, Mr. Chairman, but we have. I have no more questions.

Senator JACKSON. Thank you, Senator Muskie. Mr. Pendleton, our minority counsel.

Senator MUSKIE. I do have one more question. I think the answer to this one is implicit in your entire testimony, but I would like to ask the question: Is it your impression that strongly held points of view on issues and policies within departments in important matters always rise to the level of NSC discussion?

Mr. NITZE. I don't believe that they arise as effectively as they should. I think they have arisen. Such disagreements are referred to the NSC from time to time. My concern is that they do not arise in a broad enough context. The type of decision on which disagreements have gone to the NSC are decisions as to whether or not to go forward with this weapon system or that weapon system at such and such a time, or whether or not we will do this precise thing with respect to an agreement with respect to Berlin. At the same time there is a tendency to ignore some of the longer range considerations which bear upon where we are going to be 5 years from now. I refer to such matters as the integration of our policy or how much reliance we really want to put on nuclear weapons as the main foundation for our foreign policy. Certainly in 1953 or 1954 this latter was the crucial question which underlay where we were going to be in 1960-65 with respect to our foreign policy. I don't believe that was discussed in the NSC in the deep manner appropriate to the longer range significance of the question.

Senator MUSKIE. Do you think that this shortcoming has an organizational base, or is it again a question of what use the President should make of the organizational instruments which he has?

Mr. NITZE. I see no way by which legislation could require the President in the secret conclaves of the NSC to discuss given problems

in a given way. This seems to me to be beyond the power of the legislature.

Senator MUSKIE. Thank you, Mr. Nitze.

Mr. PENDLETON. Mr. Nitze, I believe you served in the NSC mechanism at the time that Admiral Sidney Souers did?

Mr. NITZE. I did.

Mr. PENDLETON. Earlier before this committee he made the statement that, "I think it (the NSC) is serving a purpose. You never can tell from one time to another whether it is doing its best, but it is the best you can do in the good democratic government we have."

Do you have any comment on his statement?

Mr. NITZE. I agree with the general purport of the statement. When he says it is the best we can do with the form of democratic government which we have, this goes beyond what I would say. I think it has done a necessary job. I think it is possible to do a better job.

Mr. PENDLETON. Thank you, Mr. Nitze. Thank you, Mr. Chairman.

Senator JACKSON. Mr. Nitze, on behalf of the committee we want to express our appreciation to you for the help you have given us this morning, and assure you that we have quite a long way to go in our study, and we will not hesitate to call on you for further advice and counsel. We are most grateful to you for a very able and scholarly and objective presentation of the problems as you see them in this all-important area of national security.

Mr. NITZE. Thank you, Mr. Chairman.

(Thereupon, at 12:40 p.m., the executive session was concluded.)

THE DEPARTMENT OF STATE, THE POLICY PLANNING STAFF, AND THE NATIONAL SECURITY COUNCIL

MONDAY, JUNE 27, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met at 10:30 a.m., pursuant to call, in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Javits.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster C. Denny, and Richard S. Page, professional staff members, and Edmund E. Pendleton, minority counsel.

Also present: Charles A. Haskins, senior staff member, National Security Council.

Senator JACKSON. The subcommittee continues today its hearings on the National Security Council and the relationship between the Departments of Defense and State in the planning, coordination, and implementation of national security policies.

Our effort continues to be:

First, to appraise the adequacy of our policy machinery and procedures to identify and plan ahead on the key problems of national strategy in this critical long pull struggle.

Second, to study the machinery for coordination, followthrough, and implementation of the policies thus determined.

And, third, to arrive at constructive recommendations for improvement where needed.

Our witness this morning is the third director of the Policy Planning Staff to appear before the committee.

We welcome today Prof. Robert Bowie, director of the Center for International Affairs, Harvard University.

After a distinguished career as a lawyer, and a professor of law at Harvard University, Mr. Bowie served in important posts in the national security field, including service as general counsel to the U.S. High Commission for Germany and, from 1953 to 1957, as Director of the Policy Planning Staff of the State Department, and Assistant Secretary of State.

As the members and Professor Bowie know, we have agreed that testimony on the National Security Council by present or past officials

of the National Security Council or its subordinate machinery concerning the Council or its subordinate bodies, will be taken, first, in executive session.

Therefore, our hearing this morning is in executive session.

Professor Bowie, I believe you have a copy of the guidelines and are familiar with the information that I have just mentioned.

Mr. BOWIE. Yes.

Senator JACKSON. We are delighted to have you with us this morning. I realize that you have not prepared a formal statement, but that you would like to make some opening remarks in an informal way and then we could turn to some questions if that procedure is agreeable.

**STATEMENT OF PROF. ROBERT BOWIE, DIRECTOR, THE CENTER
FOR INTERNATIONAL AFFAIRS, HARVARD UNIVERSITY**

Mr. BOWIE. That is entirely agreeable.

Your letter indicated four topics to which you would like me to address myself. So I might make a few opening remarks to indicate my general approach to these subjects and you can start questioning from there.

Senator JACKSON. Very good.

I want to say for the record that you may revise, correct, and extend your remarks as you deem appropriate. This matter will be left entirely to you.

This is a study and not an investigation.

Mr. BOWIE. May I say, first, that I appreciate your interest in my views. I am very glad indeed to give them to you for whatever use they may be.

I think your committee is engaged in a very important job and so far as I have been able to follow it in the newspapers and reading some of your reports, you are approaching it in a very serious and objective way.

Senator JACKSON. We appreciate those comments.

Mr. BOWIE. I will try not to get into a lot of details, Mr. Chairman. I will simply comment briefly on your questions and then you can proceed from there.

You first asked about the function of a national strategy and the problems in developing such a strategy including the role of the National Security Council.

It seems to me that a broad national strategy is central to an adequate policy today. By that I mean a framework which defines the general direction in which we are going to try to go, which tries to relate our appraisal of the situation we face and the world we are living in to the broad purposes we ought to pursue and the means which will be required to pursue them.

The interrelation of these factors is a very important and difficult part of developing a coherent policy. I do not suggest for a minute that any broad framework of this sort can "solve" our problems. The practical problems of foreign policy come up as concrete, specific decisions and the answers cannot possibly be deduced from any broad general strategy.

But it is a mistake to take the view, as some do, that because a general strategy does not answer all the questions, therefore, it is of no value.

This, it seems to me, misconceives the process of policymaking.

As I see it, it is necessary to proceed by a succession of approximations down to the concrete case you have to deal with.

Senator JACKSON. Would you say the situation in World War II was comparable, when we had a broad strategy to win, but there were battles where things did not quite work out the way we anticipated and we had to make changes.

Our general strategy then was no substitute for decisions in particular situations.

Mr. BOWIE. That is a good example of the way I see the process.

As I understand it, in World War II, certain basic decisions were made to give priority to the war in Europe as against the war in the Far East, and to conduct the war in Europe according to a certain broad plan.

None of them gave the answer as to when and where to go into Normandy, but they gave a focus for fixing priorities, and for the things that you had to accept along with the priorities.

It is not a stock of answers, but it is an absolutely indispensable framework within which to try to arrive at answers on the basis of specific analyses of the particular cases which are the warp and woof of foreign policy.

One reason such a framework is essential is because many of these problems require combined or concerted action by quite a lot of people.

They require combined action within the executive branch, between the State Department and military services and economic agencies and so on. And they require cooperation between Congress and the executive branch. And often, they require cooperation of allies.

Now, in order to get the kind of cooperation which is required, there must be some conception on the part of the participating people of what they are about, the nature of their purposes and the ways in which they are approaching them.

That is one thing.

The second thing is that the most important problems are long-term in their effects and in their requirements. I am thinking of the military problems, economic assistance, and various others. No single set of actions or series of actions is going to be adequate to resolve these problems quickly. Their solution will require steady work over a period of time.

These requirements are not likely to be met unless the tasks are seen in perspective.

Without some guiding general framework none of the particular actions will seem worth doing. So it is essential to have some kind of strategic framework.

When you come to the question of how to get this framework, this seems to me one of the prime purposes of the National Security Council.

As I indicated, for this purpose, I think that it is a pretty good mechanism if properly utilized. If you expect it to produce a blueprint for all the actions which are going to be taken in foreign policy,

the Council just cannot do it. It is not that kind of mechanism. To criticize it on this ground is to miss the point.

Doubtless some of its decisions—actually, the National Security Council does not make decisions; it makes recommendations, the President makes the decisions—some of the output of the process is more general than would be desirable in some cases.

But some criticism of the generalities fails to understand what it is trying to do. In formulating broad strategy, the Council will inevitably set out fairly general propositions.

In the working of the National Security Council certain agencies are very important. For instance, CIA is quite a crucial element in trying to produce a unified appraisal of the problems we are up against.

Much of the output of the CIA cannot be specific and certainly cannot predict exactly how world events are going to unfold. But it can help to identify some of the basic forces and some of the long-term trends that will shape the world the policymakers are trying to deal with. I think they do quite a good job and are a very valuable instrument in the whole process.

The success or failure of the National Security Council really turns, as I see it, on the quality of the staff work in the executive departments, and in particular in State and in Defense.

I haven't any doubt that the quality of that staff work can always be improved. There is a real shortage of people who are trained and equipped to think in the terms which are required to integrate the various policies and considerations which ought to go into a broad strategic conception.

This is not a kind of analysis or thinking to which we are accustomed by our domestic political experience which takes for granted the framework within which we are operating. Much of our internal politics is within a wide consensus of basic purposes.

In the foreign field, we have to develop these more consciously. In other words, we have to identify them and find them on the basis of specific analysis. They must be based on analysis of the actual conditions we face to determine the purposes which ought to be pursued to cope with them and of the means which we ought to generate and use in seeking to modify or influence the situation.

Each of these factors interacts on the others. Our appraisal of the situation is partly a function of our own purposes, our own means, and so on. This is a fairly complex kind of analysis for which other types of activities do not necessarily provide adequate training. So I am sure, as I will indicate later in response to another of your questions, that the quality of people engaged could be improved.

But I am partisan to the view that the staff work should take place primarily in the departments and between the departments.

The process of planning is too intimately tied in with the whole conduct of policy and depends too much on the feel of the situation and on the ability to revise plans in the light of operating experience to be divorced from the executive departments. Any effort to lodge the responsibility to generate broad strategy in some separate entity does not appeal to me as a fruitful line of action.

Because, if you take my view of it, a strategy is only a starting point. You can't apply it in the sense that you can a blueprint. It is only a starting point for analysis as you proceed to deal with the

concrete cases. It seems to me, therefore, that the process of generating a strategy is valuable in developing the attitude within the executive branch which will facilitate its utilization in the actual conduct of affairs.

To my mind, many people misconceive the nature and purpose of long-term planning. It is not planning for some remote future, that is to say, for the things to be done way off. It is planning how future events or purposes ought to affect what you do now because the decisions of foreign policy today may set the course for the coming period.

What is important, therefore, is not to have plans which are for implementation 10 years hence, but to consider the implications of what you do today 10 years hence. Thus long-term planning is directly related to day-to-day work. That fact is absolutely central because you cannot divorce the two.

What is done tomorrow in the Middle East may color or shape what the situation is in the Middle East 5 years hence. The urgent need is not to have a plan to take effect 5 years hence. What you do want is a conception which will help guide action today in terms of what its meaning and effect will be 5 years hence.

Again the point is obvious.

Senator JACKSON. I want to say for the record that what you are developing here is very good and we have not gone into it this fully before in our hearings.

We have talked about it among ourselves a lot. I think you are serving a very useful purpose in developing these points.

Mr. BOWIE. Where I simply duplicate things which are familiar ground, just let me know.

Senator JACKSON. No, this is new. This is good, sound counsel.

Mr. BOWIE. To return to the National Security Council, I look on it essentially as a forum within which the principal executive agencies can discuss the central issues of policy in the presence of the President. That it seems to me is the primary function which it fulfills.

It is a mistake to look on it as a committee. That is not really the way it operates. As I saw it over a period of 4 years, it was a place where the heads of the interested executive departments presented their views to the President on the basis of a paper prepared by their assistant secretaries on the Planning Board. Then the President had the opportunity to weigh the considerations as presented in the paper and discussion.

It seems to me that this is a good device for enabling the President, who after all, has the authority and must take the responsibility, to get the benefit of real give and take directed to issues which have been formulated in the Planning Board.

Now, again, I do not mean to suggest that the Planning Board papers are always ideal because they are not. But still, as devices for posing issues and alternatives and proposals for solutions, it seems to me that they were not too bad. One criticism of the work that was done in the Planning Board might be that too many topics were tackled. The cause may have been the search for the kind of blueprint which I think is unattainable.

Therefore, it seems to me that the National Security Council mechanism ought to be utilized primarily for posing and analyzing the basic issues, purposes, and appraisals, which are necessary to provide

a coherent pattern for our policy. The Council ought not to aim at prescribing what should actually be done in specific terms all over the world in the next 2 or 3 years.

That is an impossible goal and the effort to achieve it is bound to cause frustration.

In other words, the NSC should be a mechanism for setting out a framework of policy, expecting the executive departments, in their operations and in interagency work, to elaborate and develop this strategy in the face of concrete problems as they actually arise.

Now, that is my conception. I have spent more time on it than I meant to on that.

Senator JACKSON. No, that is all right. Do it in your own way.

Mr. BOWIE. Your next question was the role of the Secretary of State in the national security field including his relation with National Security Council and Secretary of Defense.

I am afraid my views are rather orthodox.

The Secretary of State, it seems to me, should clearly be looked on as the chief adviser of the President on foreign affairs. Certainly there should be nobody between him and the President through whom he must proceed to reach the President.

Now, it seems to me equally necessary to recognize that the President alone has the ultimate authority and has to provide the ultimate leadership in carrying forward our policy in respect to the public and to the Congress and, indeed, in respect to allies. But he has quite a lot of other responsibilities.

The Secretary of State has the advantage that his exclusive province or responsibility is the field of foreign affairs. Therefore, he ought to be able to provide the intellectual leadership so to speak, the analytical part of producing a coherent national strategy as probably his No. 1 job. Now, this means that in his thinking he ought to try to integrate the military and economic and political and all the other elements.

Some people have moved beyond that and said, well, then, the Secretary of State ought to be a supersecretary with the power to give directions to other Cabinet officers like the Defense Department, the economic agencies, and so on.

I think this is both unwise and unnecessary. I doubt that over any extensive period of time in our kind of government you could in fact give the Secretary of State a real directing power. A supersecretary in that sense hardly seems feasible.

Nor do I think it is necessary. All that is required is that the Secretary indeed understand his role as the primary adviser in the field of foreign affairs, and that other people conceive of him in these terms and have confidence in him. The Secretary will actually have great de facto capacity to coordinate the actions of other departments if it is understood that normally his views on the broad strategic aspects of policy will prevail if the issue is taken to the President. Under those conditions, most issues don't have to be taken up because Cabinet officers don't like to lose before the President, and, therefore, the Secretary of State will in fact exercise great authority as a coordinator of views within the executive branch.

To my mind this is enough. It also avoids the inevitable jealousies and frictions which would result from trying to elevate the Secretary into some sort of formal command position over the Cabinet officers.

But to play this role the Secretary has to have an intellectual grasp of the issues which is broad enough to encompass the functioning of the other departments and their relation to foreign policy.

Secondly, he has to be supported by adequate staff who can enable him to play this kind of role.

Senator JAVITS. Would you mind answering a question about that?

Mr. BOWIE. No, indeed.

Senator JAVITS. A number of people have recommended elevating the Secretary of State—George Kennan did that; Nelson Rockefeller recommended a cut above that, some kind of lieutenant of the President; other people have recommended below that, a minister of foreign affairs, to do the traveling and to do the negotiating on the world scene and so on.

Mr. BOWIE. Do you want me to address myself to the others?

Senator JAVITS. I think I have your answer on the cut above and on the Secretary, himself.

What about on the cut below?

Mr. BOWIE. On the cut below, I certainly would be prepared to experiment with anything which would save the time and energy of the Secretary and give him the opportunity to remain more in Washington. It seems to me that over the recent past the Secretary has had to devote an undue proportion of energy and time to travel for conferences and similar purposes.

I don't know whether it was avoidable or not. Anything that would offer the possibility of mitigating this drain would seem to me to be desirable.

One way which might well be very simple, would be more use of the customary device of the ambassador at large whose function would be negotiating and similar kinds of functions abroad, troubleshooting, and that sort of thing.

Senator JACKSON. With ambassadors being appointed, who have an outstanding reputation?

Mr. BOWIE. Yes; people who would have standing in their own right and would be recognized as entitled to be listened to because of their relationships to the Secretary and to the President.

Senator JAVITS. How many deputies do the Russians have? Six or seven, do they not?

Mr. BOWIE. I don't know what you mean.

Senator JAVITS. The Russians have six or seven fellows who are a cut under the Foreign Minister and who go to all these meetings and negotiate and everything else.

Mr. BOWIE. I don't think the Foreign Minister really is a very important position with them. For instance, Gromyko does not seem a significant factor in policymaking—he does what he is told and that is his role. I don't believe it is really comparable.

There would certainly be some difficulty in getting other countries to accept this kind of substitution, but if two conditions were fulfilled it could perhaps be done to some degree; namely, first, an indication on our part that we were going to insist on doing it and, second, a selection of people who did really speak with considerable authority.

Senator JAVITS. The second is very important?

Mr. BOWIE. Very important.

Senator JAVITS. In other words, he really represents the President?

Mr. BOWIE. That is right.

But he must act, it seems to me, through the channel of the Secretary.

Senator JAVITS. The minute you say that, Mr. Bowie, if you will forgive me, you will knock the whole thing on the head because then they will not take him.

You have to say he is the representative of the President. Who he coordinates with is his job.

Mr. BOWIE. Every ambassador is a representative of the President.

Senator JAVITS. You and I agree on too many things to argue about that, but we will be writing a report and it strikes me that we want to be very clear, you know, on your recommendation.

In other words, you believe that if you said in advance he will coordinate, you do not take any luster off him. It struck me you could treat it straight, like Arthur Dean. Arthur Dean was not known as one to coordinate with anybody. He was the President's plenipotentiary. That was his job.

Mr. BOWIE. I agree with you if it is understood in the Government that he in fact coordinates with the Secretary. You could not conduct your policy if you have two or three people operating out of the Office of the President.

Arthur Dean went through the Secretary of State within the Government although, as you say, it was perfectly clear he spoke for the U.S. Government.

That is crucial. I don't think this relation is impossible. It is obviously the conception of the ambassador to start with.

He is the representative of the President.

Unfortunately to some extent, the role of ambassador has been downgraded, but the conception is unquestionably the one you described.

If we pick people of sufficient stature they can make this believable. But we must not have any notion that he does not proceed through the Secretary in his relations with the Government.

Senator JACKSON. To get back just a moment to the primacy of the Secretary of State, I in general agree with what you are saying on this point. To be more specific, how would you view this primacy in the area of development of the budget?

In other words, the Secretary of State is deeply concerned about the adequacy of, we will say, defense as it relates to certain policies. He may be concerned about our educational effort or about our overall economic situation. What technique is there for the Secretary to express his concern so that when the budget is developed it will support what he feels to be the essential elements of his policy?

Maybe you are going to get into that a little later on.

Mr. BOWIE. Your letter did ask me as the next question, about developing national security planning and the budgetary process.

So why don't I simply pass to that topic and in the process try to answer your point.

Senator JACKSON. Fine.

Mr. BOWIE. This seems to me one of the most difficult problems in terms of governmental machinery.

The Bureau of the Budget and to some extent the Treasury are very much concerned in the broad budgetary process, quite properly. The

statutory authority for budget administration and development is with the Budget Bureau.

But it is equally clear that one of the key questions in any strategic approach to foreign affairs is the problem of allocation of resources both to particular purposes and in the priorities assigned.

There are really two questions. It is partly a question of gross amounts and it is partly a question of allocation among the different claimants.

In terms of foreign affairs the big items are things like military budget, the economic assistance program, the foreign military assistance program; those are the ones that take substantial sums of money.

To a lesser degree, but also important, are USIA and so on.

Senator JACKSON. Science probably, more and more.

Mr. BOWIE. Science is important, but funds for that tend to get split among these others, particularly in the military budget.

The issue is posed most clearly perhaps, in terms of U.S. military position because it is the hardest one and the most important one.

The Secretary of State has a vital interest in certain aspects of the military budget, and military forces, but by no means in the whole range of things which are the responsibility of the Defense Department.

He is interested, it seems to me, in essentially the broad military strategic conceptions because of their interrelations with foreign policy.

When a military strategy calls for a wide ranging base structure, it involves at once political and economic relations with other countries. And, conversely, the kind of force which you can expect to mobilize and call on in case of crisis may affect very much the kind of position you take in any diplomatic discussion.

So he is interested, it seems to me, in the aggregate level of the defense budget to see to it that it provides a sufficient underpinning for the foreign policy and for the same reason he is interested in the kinds of forces which we can bring to bear. A military establishment may be terrifically powerful, but may not be very helpful in the case of a Lebanon or of other situations where what you are trying to do is hold on or keep order or do other things which require not massive power, but selective power.

Now, the difficulty, as I see it, is how to pose the problem of the budget for the defense forces in a way where somebody like the Secretary of State can reach and express rational judgments as to the adequacy of the budget.

If the requested expenditures come up in a form which simply says that so much will be spent on the Army, so much on the Navy, so much on the Air Force, so much on the Marines, it is virtually impossible for a civilian, like the Secretary, no matter how well briefed, to form any judgment as to what this means in terms of military capabilities as related to foreign policy.

What he really wants to know is what is the adequacy of our forces for deterring all-out war by the other side; what is their adequacy in case of limited engagements in different parts of the world. In other words, what is the spectrum of force which they can apply and what is its relation to the threats that we may be exposed to?

On this he is really interested in rather broad choices. No amount of spending for military purposes is going to cover all the risks. So the political issue which is always posed in any choice among means, particularly military means, is which risks are you going to simply live with and which ones are you going to cover? Now, this is a matter of degree. As I say, there is no way to buy absolute security no matter how much you spend.

So the real issue is at what point added spending will not buy enough more security, enough more capability, to make it worthwhile. This can be judged, I think, only in terms of capabilities of particular sorts, capabilities with respect to all-out war, capabilities with respect to limited aggression, capabilities with respect to police actions and so on.

Now, I do not know what the situation is today. I haven't been close to it now for 3 years. So I cannot really speak at all about whether or not there has been any change. But as the budget was handled before the National Security Council, when I was familiar with it, which was very largely in terms of allocations by the different services, it did not permit an adequate judgment as to the capabilities which would result from the proposed level of spending, or any level more or less than what was proposed.

This procedure makes it very difficult indeed for a Secretary of State to arrive at judgments as to the adequacy of any particular budget, whether it is too much or too little, or the allocations within that budget of the sort he is interested in.

Now, I do not think he can fulfill his role unless in some way the question of allocation of resources is posed in a form such that he can see what it would do to our capability if we spent this or that amount more or less.

Only in these terms can he really relate the military forces to the foreign policy requirements.

Senator JACKSON. Senator Javits has another engagement. He wants to ask a question.

Senator JAVITS. I have just one question. I was much interested this morning in Ayub's statement questioning whether we had the governmental machinery to react. It seems to me that this kind of summed up in a rather important way this whole thing we are working on.

In other words, if you assume that we are pursuing all the policies you are for and Senator Jackson is for, and I am for, what is wrong here?

Well, what apparently is wrong is how much can we move with dynamism, as it were, riding forward in the saddle, and how quickly can we react?

I wondered if you had any reaction to Ayub's statement in terms of your testimony this morning?

Mr. BOWIE. I was not clear myself whether Ayub was referring to our ability to react to physical aggression or whether he was talking broadly across the spectrum of foreign policy.

Senator JAVITS. Frankly, I don't care what he had in his mind. It prompted something that I had in my mind.

Mr. BOWIE. I have no doubt on the military side we are perfectly capable of reacting quickly and quickly enough—at least against large-scale aggression.

So I am not really concerned about that side.

In terms of adequate action in many other fields such as economic development and a whole lot of similar other fields, I am more concerned. I will have to say, though, that I do not feel that this is something which can be solved merely by governmental machinery. I think it is a problem which involves quite a lot of things.

It involves the conception of leadership at the top and the way in which that is carried out.

It involves the quality of thinking in the executive branch, the human beings who are doing it.

It involves an awareness on the part of Congress as to the reality of the dangers we are up against and its willingness to take what may in the short run be unpopular actions in order to respond to it.

It depends in very large part, too, on the popular attitude, the general frame of mind of our people, which is partly, I think, the result of the degree of leadership. It is also partly a function of the way in which congressional members try to educate opinion.

I must admit that I am very concerned about the next decade or two. I have no doubt of our ability in terms of resources, in terms of talent, to cope with the problems we are going to face, but I wish I were more certain that we are going to really mobilize those capabilities and resources to make an adequate effort.

On the other hand, I feel that our democracy has shown great capacity for learning and understanding. If you look back to 1945, and the many illusions we started with then, and consider how our Nation has come to understand more about the world we are living in and more about our position in it, more about how international politics operate, we have come quite a long way.

The thing that concerns me is whether the evolution of attitudes may proceed at too majestic a pace for the times we are living in.

Therefore, it seems to me what we really must do is speed up the process of learning about the tasks that we face.

For this reason, I would put great stress on our short falls in action. There have been deficiencies in the quality of thinking and planning in the executive branch, but our actions, as a government and people, have fallen short of the requirements which have been recognized as necessary for our survival. The governmental machinery for planning can surely be improved. But we have not even acted up to the level of wisdom which it has been able to produce.

Senator JAVITS. Thank you, sir.

Mr. BOWIE. One last thing you asked me to comment on was the question of recruiting, training, and holding of top people.

Senator JACKSON. Before we come to that point, maybe I might ask one or two questions which come to my mind.

Mr. BOWIE. Certainly.

Senator JACKSON. One previous witness mentioned in his testimony that the way the budgetary process has been working, the Secretary of State, as far as defense is concerned, really is not sure just what he is buying.

Mr. BOWIE. To repeat, I cannot say what the current situation is. But as of the time when I knew it, I would be inclined to say that if I had been Secretary of State I would not have been at all confident as to what was being bought.

Senator JACKSON. General Taylor made the comment referred to. His testimony is being released shortly. I thought you would like to have that information.

One other thing came to my mind while you were discussing the important role that the Secretary of State must play in the budgetary process. I wonder if you would care to comment as to whether or not the Department of State should get into this matter at an early point in the development of the budget and to what extent there is a need to have greater cross-fertilization between State and Defense at the lower levels all the way up to the top.

Mr. BOWIE. This I think is probably the key to the thing. If thinking in the two departments proceeds in isolation, it will be hard to integrate at the level of the Secretary.

The need is for continuous staff work between the two and people on both sides who are competent to think both in foreign policy and military terms and able to relate the military capabilities to the foreign policy purposes. When I was in the Government I felt that this was by no means adequately carried on.

My understanding is that today the situation is much improved. Judging at second hand, from talking with a few people, the degree of cooperation between State and Defense in the various staff levels is much better than it was when I was familiar with it. I do not mean to suggest that then there was not some working together. Obviously there was on some problems like NATO and some others, but still it did not seem to me to proceed at the depth or with the continuity which was necessary for the problems.

This is one area where people, qualified people, make quite a difference in the frame of mind, in willingness on the part of both departments not to play their cards too close to the chest, not to feel that they are engaged in a contest, but to feel that they are both on the same side of the table.

We ought to try to understand sympathetically some of the obstacles to the adoption of this kind of attitude. In a period such as ours marked by such rapid change in military technology and in strategies, when leadtimes on weapons are 5 or 7 years, the effort to foresee what kind of forces we will want and could have that far ahead is bound to create considerable differences of opinion among various segments of the military organization.

This is no criticism of the organization; it is inherent in the nature of the problem. When differences exist within any organization there is always a hesitancy to bring others into the middle of internal quarrels and discussions until your own house is in order and the issues sorted out.

In human terms this reluctance to bring together the staff work at the lower levels when things are not sorted out is perfectly understandable. But these attitudes should not be allowed to govern. It is important, even at that early stage, to have participation by people who can bring to the choices the point of view of foreign policy.

This underscores the point I want to make on your fourth question; that is, the indispensability of having in these departments officials who can think effectively in terms of the problems of the other department. That does not mean that all the State people have to be

military strategists or that all the military people have to be foreign policy experts.

But it does mean that they have to have competence to appraise conflicting considerations and to understand the uses and limitations of experts in those areas. They should be able to hold up their end of the stick without being fully expert in that field. The same thing is true in the contribution which the Defense people ought to make to the relating of their problem of force to the purpose of foreign policy.

Senator JACKSON. Right at that point, one thing has disturbed me over the years. I was interested very much in the impact of new weapons systems on foreign policy. As a result of personal experience in connection with the ballistic missile program, I had the feeling that the foreign policy implications would be enormous.

Defense really did not see this. They did not see what the effect would be on our prestige, the ability to blackmail our allies to a certain extent, and so on. They missed this also with Sputnik.

Defense is relatively isolated and they do not make vital information available to the people in State at all levels.

Thus there is not the opportunity to give critical programs the kind of reflective consideration that should be given.

For example, there has been so much talk about the use of tactical atomic weapons in limited war. Well, I query whether that is the best means.

How much consideration has been given to bacteriological warfare and chemical agents and all the other things that could be used without the same degree of destructive effect?

I am just citing a few illustrations.

Mr. BOWIE. These are all illustrations of the point we are talking about; namely, the close interconnection between the political and the military in this whole range of things. As you indicated, in many ways today the problem is not merely the actual use of force; it is a question of converting the threat of force into a political instrument without using it.

It seems to me the Soviets have been extremely skillful in doing that.

Senator JACKSON. When I tried to point out the effect of the missile on diplomacy the answer that was given to me was that we have enough B-47's to cover us. This was not the point I was trying to make.

My point was that the Soviets and the Soviet bloc could make enormous progress in the world through the political use of these weapons systems.

That leads me up to a matter that we have been considering—the possible development of a joint career service of some kind at a senior staff level.

I have been impressed, and I am sure you have, at the number of military people who have a wonderful understanding of the political situations throughout the world. Certainly what our war colleges have been doing is ample proof in this area.

I just wonder if we might start out with a small corps on a trial and error basis and see what could come of it.

Mr. BOWIE. I have not given any thought as to how one could organize, set up, or administer such a service and I certainly would not want to express a firm view as to its feasibility before thinking through how one could manage it and operate it.

But the general idea of finding some way to create a small corps of people who had shown special aptitude and received special training in the policy process and who could be utilized in a variety of positions, key positions for policymaking jobs, appeals to me very much.

In some ways the military services through their training programs and their service colleges and the National War College have done a good deal more to try to provide the foreign policy framework for military thinking than the people on the foreign policy side have done the other way around.

It is, of course, true that a number of State Department people attend the war colleges each year, and this is all to the good and very useful.

The new senior course for Foreign Service officers has also been putting more stress on this range of things.

Still there has been a certain reluctance on the part of the career Foreign Service to become too much involved in this wider range of issues. Indeed a first-rate man at diplomacy may not thereby be especially equipped for the kind of analysis and thinking required for the integration of military and political planning.

So it seems to me there is room for selecting a few experienced people from the military and foreign affairs agencies and perhaps from other sources for special training and service in different departments in positions which especially utilize these special talents. In general, the idea of trying to do this in some fashion appeals to me very much.

Maybe it could be tried on a small scale by systematic efforts to exchange a few people among departments. A military man or two could be put in some kind of position in State on leave or so that he clearly is not serving as a Pentagon representative, but as a member of the State staff, and similarly perhaps a few Foreign Service officers could be placed either in the Joint Staff or in the ISA office, so as to give them an exposure to the way in which these problems are posed from the military side. And perhaps some men of both sorts could be assigned in the NSC staff or in the White House to give them a chance to see it from that perspective. Such exchanges would allow a small start without creating all the technical problems which would arise in trying to develop a brandnew service.

Senator JACKSON. Try to do as much of it by administrative action without getting into legislation—

Mr. BOWIE. Yes, I think a good deal of it could be done that way.

I am not thinking in very large numbers, and I don't suppose you are.

Senator JACKSON. No.

Mr. BOWIE. You don't really need vast numbers of people, but merely a small number who have special qualifications.

Senator JACKSON. You might start out with 8 or 10 as an experiment. That is what I had in mind.

Mr. BOWIE. Yes.

Senator JACKSON. And try to see how it works out, what the problems are.

It may well be, for example, that the military people as time goes on should have some protection insofar as their own careers are concerned. The State Department service might hurt their career chances.

If this is a possibility, then this would involve some statutory considerations to provide the kind of environment that would encourage them to pursue this line of service.

Mr. BOWIE. I certainly would also urge that the adequate training and opportunities for going to universities which has been started in the last few years in the State Department, be strongly backed. The military services have had a much better break from Congress, it seems to me, on this than has the Foreign Service.

In a world that is moving as fast as ours, an opportunity to get away from the day-to-day work and try to get perspective on the problems is absolutely indispensable for the top policy jobs. A department cannot allow this unless it has enough people so that it can release some of them that cannot easily be spared. The only ones to send are the first-rate ones. The only way to do this is to have a modest amount of overstaffing.

The making available of facilities and the expectation that this was a normal thing and not going to be subject to criticism as misuse of manpower would be a real contribution.

Senator JACKSON. It may not be directly in your area. Would you also say that it might be wise to have a comparable program for some of the civilians, career civilians in the Department of Defense?

Mr. BOWIE. Yes. I would not limit this to military services. I am talking about anybody who is engaged in the defense side.

Senator JACKSON. In the broad sense of the term?

Mr. BOWIE. Yes.

For all I know you might even broaden it out at some point to include some of the people in the budgetary side.

Senator JACKSON. That would not hurt, either.

Mr. BOWIE. That is pretty much all I wanted to develop.

We have covered in the questions the point I was going to make about the training program.

Senator JACKSON. Do you have any general comments about the conflict-of-interest problems, getting key people down to Washington?

Mr. BOWIE. I really have not been into that to a sufficient degree.

Senator JACKSON. We have held some hearings on this subject.

Mr. BOWIE. Yes. I don't think anything I could add would be important.

I would say this, though, that it does seem to me that it is highly important to minimize the turnover in top positions.

Senator JACKSON. We have, incidentally, a unanimous resolution from this committee dealing with turnover which we are going to take up in the Senate. We are getting a report together to take up in the Senate this week in which we express in completely nonpartisan terms the concern of the Senate over the turnover in national security fields.

It has been a problem under several administrations.

The new President will be on notice that we are going to view it with some concern.

Mr. BOWIE. An appointee cannot learn the rudiments of these top offices without a reasonable exposure unless he has already the benefit of working rather extensively at some fairly important lower levels. Some of the weaknesses of our machinery have resulted from the fact that people have not really understood their roles. They have not understood what their job was.

Senator JACKSON. It is knowing how to make the best use of talent and machinery.

Mr. BOWIE. It is both understanding what are the key parts of the job and what means are available for performing it.

Without getting into personalities, I think that able people have come down to Washington and have tried to do their very best and exhausted themselves without ever having quite fully understood the primary requirements of the job.

Of course, if an official puts his mind and attention and allocation of effort on the wrong things, then no matter how hard he works he is not going to get the necessary results.

Senator JACKSON. It seems to me that our emphasis has been on getting people to come down to Washington, like the recent meeting of the National Executive Reserve, for a day or two and explain to them that when we get in a national emergency, meaning a war, we are going to call them all in.

Well, I have a feeling that what is really needed is an acceptance of the idea that we are in a conflict now, a long-drawn-out conflict, and that we must get these people to come in and help out from time to time as they are needed and then go back to their profession or business.

It seems to me that we are still indulging in a lot of this sort of false thinking about mobilization for the emergency and that we fail to realize that we are in an emergency and will be in it for years to come.

Now, if I may just conclude on this point: the same is true with regard to the problem of conflict of interest, in getting these people down.

The moment the guns start booming, why, we get these people in. The laws are waived or we grant war powers to the President and he can do most anything in this regard and in other areas.

It seems to me that what is needed is an ability on the part of the executive branch to act in the same manner now and for years to come as the President has been able to act in the Korean war and in World War II to cite recent examples.

Mr. BOWIE. I fully agree with that.

This seems to be really the question of the atmosphere of the country, the general attitude, the sense of what the situation is.

It is what I was trying to refer to earlier.

You ask what is our problem. It seems to me this is the part which is most difficult to get at.

An illustration I often use in talking to business groups is: Suppose you have educated your son and he has done well at college. He comes home to you and he says, "Father, now I am going to work in Laos for 3 years."

I said, "I bet every one of you would say to him, 'Son, you are tired. You worked hard at college. You take a month off and then you come back and we will talk seriously about what you are going to do.'"

Most of them laugh enough at least to suggest that this is probably what they they would do.

There is something wrong when this is the frame of mind because there is something wrong with our priorities.

In a way the problem we face as a nation is not so much machinery as attitude—frame of mind. It is the sense of urgency and the awareness that we are engaged in a struggle which is going to go on for quite a long time to which we have to devote human resources, the physical resources, financial resources.

That is a matter of political will. We can devote enough or more resources than we need without even talking about serious sacrifice.

Senator JACKSON. The most conservative economists agree on that. If we make up our mind as to what we really need in the way of physical resources the job can be done.

Mr. BOWIE. That is right. And it can be done, in my opinion, without anything that can remotely be called material sacrifice.

In terms of human effort, it may be different. Here first-rate people will have to be willing to do the first priority jobs even though these are not the jobs which our social attitudes and tradition treat as the most important work to be done.

Senator JACKSON. I know you have had this experience constantly, but when I get on a campus and make a few remarks expressing great concern about where we are headed, a student invariably pops up and says, "What can I do to help?"

I wonder if we cannot do a better job of indicating a few years ahead the kind of training and experience that we need in government over the long haul and provide a competitive system by which we can get some of the fine young minds on the campus to come into government.

Mr. BOWIE. Of course, the foreign service right now has a tremendous number of applicants each year, I don't know how many times the number that they can take.

My colleagues at Harvard believe that a thousand or more seniors coming out of college could be recruited every year to do most anything for 2 or 3 years in one of the underdeveloped countries.

Senator JACKSON. Not only with talent, but with a sincere desire to be helpful?

Mr. BOWIE. Very definitely.

These are people who don't expect to make this their career and certainly don't expect to make any money out of it.

Senator JACKSON. This involves a sort of missionary zeal.

Mr. BOWIE. That is right. They want to feel they are being useful.

Senator JACKSON. That might last for a couple of years anyway.

Mr. BOWIE. That is right. That is all they can afford to undertake.

In Cambridge recently I was visited by Mr. Dike who is in charge of one of the universities in Nigeria. One of the problems in Nigeria is obviously education. They don't have enough qualified people to teach elementary school.

I asked Dike whether Nigeria could use several hundred of these young people in their schools. He was excited by the idea and seemed sure that the schools in Nigeria could utilize these people.

The official language in Nigeria is English. He said that if they were willing to come and live in a modest way and take things as they

found them that Nigeria could utilize them if well selected and if somebody else would pay the transportation.

To my mind this would be a dual benefit.

In the first place, it would provide manpower at a level which is hard to recruit, to teach people literacy and other things. It would give the Africans a chance to see something which is unfortunately not common in Asia; namely, educated people who are not afraid of getting their hands dirty.

Finally, it would mean every year some thousands of young people would have seen at first hand the problems in these areas and would begin to provide in every community a small nucleus of public opinion to support the kind of steps we have to take.

Senator JACKSON. It would help to develop what the British people had in the 19th century; I mean a sense of public service, a sense of dedication.

Mr. BOWIE. This need not be done by government at all. It could be done entirely by private agencies recruiting seniors if somebody would provide the transportation money.

If such a scheme were tried and worked, it could be expanded into something which would be beneficial in many, many of these countries.

In many of them English is either the official language or it is the language of actual communication among many of the people.

Where this is not true, French is often the language so that people from Europe as well as this country could be utilized.

Senator JACKSON. It is something that our NATO partners could well join in.

We have a language study underway in the NATO Parliamentarians Conference that Professor Philips, of London, undertook at our request, almost 2 years ago.

As you know, there are some 700 mutually unintelligible languages south of the Sahara. The study group has identified for Asia and Africa about 70 key nuclear languages that should be concentrated on.

Here again our European friends could work with us. Obviously, sending people from the West into these countries and into the educational systems would have enormous impact for the future.

This merely illustrates, I think, your contention that some decisive things can be done to make better use of our talent.

Mr. BOWIE. That is right.

Senator JACKSON. And it is not so expensive, either.

Mr. BOWIE. No; at this level the rewards are mainly a sense of service.

If you get them early enough they are not going to be worried by the idea that they are interrupting their career. It will be looked on as an opportunity to have a different kind of experience.

This kind of experience may also interest more able people to go into Government service, either immediately or later on.

There is still a big role for people from private life to serve for a period in the Government even though they don't make government a career. They can contribute something which is not always assured by the career service, a sense of independence, a willingness to speak up for the unpopular position, because they expect to return to private life.

Senator JACKSON. Your point is well taken. Certainly the foundations and other private institutions could play a most helpful role. This is likewise an area where the Government could aid and abet.

Mr. BOWIE. Yes. One problem in most of these newer countries is obviously need for capital, but before they will be able to use capital effectively on a really large scale, they will have to have institutions, people, skills, and all those things which make possible effective action.

They do not even have the base now for effective political action.

Senator JACKSON. This gets at the heart of the problem. The Soviets are telling these people, "Look, America may be rich and powerful, but we are the one living example of a nation that has come from feudalism to a powerful industrial position in 40 years. If you want to get there rapidly, follow the Soviet example."

This is a compelling argument to people in the uncommitted areas. Certainly we do have the capacity in my judgment to do a much better job than the Soviets if we only identify the problem.

Mr. BOWIE. Basically these people still want to get their help from the West if it can be done without attempting to put them in leading strings and if they feel we are going to be adequate to the job.

They want to get help from us if they can get it, but if they can't get it, from us, they will take it from where they can get it.

Senator JACKSON. Now, if I may turn back to the National Security Council, what should be the division of labor between the National Security Council staff and the Planning Board and departmental staffs in originating policy papers?

I might quote from Paul Nitze's comments on this from the transcript. This is what he had to say:

I think every paper in our day that was worth anything was generated outside the NSC and then went into the NSC for coordination. Not all of them even went to the NSC for coordination. Sometimes the President, and the Secretary of State and the Secretary of Defense would decide the matter themselves without the benefit of the NSC discussion, because time was short, or it was something they did not want decided that way.

Mr. BOWIE. Basically I would not differ much with the implications in Paul's statement. I think it would be fair to say that some changes which were made in the National Security Council machinery at the beginning of this administration in response to a study by Robert Cutler, had the effect, I believe, of elevating the role of the Planning Board.

But my own feeling would be basically that, as I indicated earlier, the place for initiation of ideas and creative planning is in the executive departments.

Now, oftentimes more joint work could be done between the key departments in generating proposals or in developing them. The Planning Board can play and does play a very important role, however, in analyzing and coordinating proposals. Indeed on occasion it can originate them in the sense that its discussions may lead to the conclusion that there is need for some kind of proposal or policy action which then can best be prepared, I think, within one of the departments and submitted.

Senator JACKSON. Back?

Mr. BOWIE. Yes; back to the Planning Board.

Senator JACKSON. You mean origination in the Planning Board in the sense that through debate and discussion some new angle comes up.

Mr. BOWIE. New angle, new idea, need for study, new aspect, which in a way would be a new policy or new proposal. But the staff work on it would be done primarily through the executive department or perhaps through a working party of several departments. This was the typical way it was done when I was on the Planning Board and I think it is a constructive way to do it.

Consequently, I do not share the view of some that it would greatly contribute to the process if the National Security Council staff were built up into some sort of planning staff with its own responsibility.

I still think that the resources for planning are better in the departments if they get some people whose job it is to do that, and who are competent to do it.

But either method requires that. In either case the first question is whether you can get people who are equipped to do the job.

If you can get them, I think they are more likely to do the job in the Policy Planning staff in State or some similar position in Defense than by putting them all in some cubbyhole under the auspices of the National Security Council staff.

That does not mean that there is not a role for National Security Council staff. I think there is. Its Chairman can play an important role in probing and pushing the executive departments to examine and reexamine positions in which they may be frozen.

The Planning Board staff itself can request a study on a subject which might not have been originated by the executive department. The Chairman can ride herd to see that the things really are integrated and that real differences are brought out rather than just papered over or compromised by words.

This is a very important function in preparing issues for discussion by the National Security Council, itself and, of course, for the President.

You have to focus issues in some way especially where there are differences of opinion so that people who have the top responsibility can size up what the problem is, what the issues are, what the differences of opinion are, what the considerations are.

Now, this is a very important function, as I see it, of the Planning Board, which could not be performed by any one department.

Senator JACKSON. If I may turn back again to the best use of people. We talk about bringing in people from outside the Government and certainly this is important.

But we also know that industry promotes people from within. What I am wondering is whether or not there should not be a greater emphasis on trying to identify the bright young career people within Government—they are already there—and then bringing them into key posts. Has enough been done in this regard or should greater emphasis be placed on it?

Mr. BOWIE. Of course, this is supposed to be the practice in career services like the Foreign Service or the military services and I am sure that they try to do it.

At the same time, I am not certain that the Foreign Service always succeeds in identifying an officer's particular talents. I do not mean

to say that the competent man does not get advanced—I think he does; but I am not sure that in practice the system has operated to analyze and develop the special talents of each individual and to utilize him in posts which take the best advantage of them.

To my mind, the qualities which are required for a first-rate ambassador, for instance, are somewhat different from those which may be required for a man engaged in making policy. I do not think that a sufficient distinction is made among the various functions or enough effort is made to identifying officers who have the special qualities for these types of activities.

Senator JACKSON. They can be entirely different.

Mr. BOWIE. Precisely.

An ambassador requires certain skills for representation, negotiation, and executive capacity.

Senator JACKSON. A good reporter.

Mr. BOWIE. Good reporting. These are not at all the same as the ones needed for analysis for policymaking.

A particular individual, of course, may combine the qualities for both types of activity, but a good many people have better abilities or greater talent in one direction than in the other. More effort could be made at some stage of the career to say that this man has special talent on this side and this one special talent on the other and to give one his future in one direction and the other one his future in the other.

This does not mean, of course, that the officer who is tagged to be a policy man should not serve at intervals in the field.

He ought to for his own education, but it would certainly mean that the emphasis on where he served would be different than would be the case of a man who is best fitted to be an ambassador.

Senator JACKSON. You have not commented on the OCB, which is supposed to follow up on the National Security Council decisions. Do you have any comments on this?

Mr. BOWIE. I don't have any firsthand experience with the OCB. I knew its work only at secondhand.

The idea of the OCB was that when basic policy had been settled, then the various executive departments which were charged with some part of carrying out that policy would develop the necessary plans and proposals and programs and that these would be coordinated in the OCB.

It seems to me that this idea was a good one, a useful one. Whether or not the OCB has been fully effective in really coordinating the programs of the different departments with respect to particular regions or countries, I am not sure.

The ambassador may be at least as good a point of coordination of actual policy in the field as any other single place.

I do not mean that he can take the place of some apparatus like the OCB in Washington. But still if you have a strong ambassador and the concept that he is the leader of the team in that country and is responsible for the full range of activities which the Government is carrying on there, then his proposals for the way in which the program there is applied and developed ought to be well worth listening to.

If the ambassador has that role and is equipped to play it, this

would greatly reinforce the actual coordination of policies which OCB alone can only deal with on paper.

I don't mean to minimize the importance of having a common assessment of the problems and a common plan of action among the executive departments.

Still the proof of the pudding will be the way in which the ambassador exercises his authority in really seeing to it that the program as carried out is coherent and coordinated.

I think the two things work together.

Senator JACKSON. Back to the National Security Council now. We have had comments to the effect that the National Security Council is pretty good in handling routine matters, but that when you get down to major policy matters it has not been very effective. The Council spends so much time dealing with a tremendous number of matters that it does not have time to concentrate on the critical ones.

Mr. BOWEN. I think I said earlier that fewer items might well be presented to the National Security Council in order to allow them more time for the more basic issues.

To say that the Council has not been effective, however, in dealing with basic issues seems to me to overstate it. The National Security Council has been extremely valuable in posing many of these issues and in assuring that in deciding them the President had the benefit of informed advice by each of his Cabinet officers.

The advantage of the National Security Council is this: In developing a Planning Board paper, the bureaucracy in the key parts of the executive branch has had to work on and think about this range of problems at the same time.

Then the paper goes on the agenda of the National Security Council. Typically each Cabinet officer then has a briefing on the paper in his own department. So he spends at least an hour or so in discussing the problem with his staff and considering the pros and cons, and reaching at least a tentative position from the point of view of his department.

If nothing more the process has focussed a considerable amount of attention by the Cabinet officers before they even come to the National Security Council.

Then at the National Security Council the discussion may go for a couple of hours and on some of the basic issues may go on for several meetings. This means that 3, 4, 6 hours have been devoted to intensive discussion of an issue before the President by the key people who themselves have had prior time to brief themselves and think about it.

It does seem to me that this is about as good a mechanism as you can devise to cause key people to address themselves to these issues, to apply to them the expertise which is available in the departments, and to arrive at tentative views of their own and ultimately to make the results available to the President for his thought and decision.

During the period I was familiar with it, the National Security Council certainly addressed itself to what I thought of as most essential problems.

That does not mean that the answers they came up with were the answers I would have reached in all cases. That is not the point.

After all, it is the job of the key people to strike balances, to reach judgments, and to make decisions. But if the question is whether they addressed themselves to key issues, I think they did.

I have already indicated that in some realms such as the military budget and forces, I did not feel that the issues were posed in the way that would make it possible to judge competing factors so as to reach wise decisions.

Nor do I want to suggest that the system is perfect or that it cannot be improved. But that view seems to me quite different from the notion that it really does not work at all.

Senator JACKSON. Yes, I agree. What I was getting at is when you get into some complicated problems, whether the National Security Council system works very well.

I understand there is some feeling in Departments: "We will send that problem into the NSC, at least to get its blessing."

Mr. BOWIE. I would not think that attitude was very common. The notion that people tried to pass the buck to the National Security Council was not a real problem.

If anything, the departments tend to be reluctant to get the real issues out on the table before the National Security Council.

Senator JACKSON. I am thinking of cases where it is to the advantage of a Department to have the stamp of approval of the National Security Council—is there much of that—even though it is not of any major consequence?

Mr. BOWIE. What does it mean to get the stamp of approval of the National Security Council. The real question is what does the President decide, and how far is he ready to go to back up the decision?

The function of the National Security Council is to develop and bring out, for those participating, the background of the problem, the considerations which go into its decision and the implications of the decisions.

But the National Security Council imprimatur means hardly anything in the Government structure in terms of added authority.

At least I would not have thought that this was a principal value, or something much sought after.

It is hard for me to recall any case where an agency was eager to get the OK of the National Security Council aside from the necessity of getting coordination.

Senator JACKSON. But in general you feel that the National Security Council process, I take it, wherever possible, should confine itself to key issues?

Mr. BOWIE. This would be my instinct.

Senator JACKSON. To make the best use of it?

Mr. BOWIE. Yes. I think it should not be looked on as the sole machinery for coordination. If the basic policy issues are really worked out within the National Security Council framework and relatively clearly understood, then there is a wide range of other ways of coordinating, by interagency actions, by informal discussion, by a whole lot of other ways, which do not involve the time and effort of so many people, particularly the key people.

Now, obviously, it is a matter of judgment and degree as to which are key issues and which ones are not so important.

You could hardly expect that everybody will share the same judgment on this because each will tend to look on things which have to do with his area as more central, more important, than some which other people may be primarily concerned with.

But within a broad range you could probably get consensus on the kinds of things where it is valuable to use the NSC procedure for discussion, for sorting out of issues, for resolution in a formal way before the President and for recording the basic elements of the decision.

Now, a good many day-to-day things do not seem to me to justify this elaborate machinery or even require this amount of participation all around in trying to resolve them or coordinate them.

Senator JACKSON. I have so many questions I want to get into. I will terminate with this general one, as to your views regarding personal or summit diplomacy versus the traditional type diplomacy.

Mr. BOWIE. I don't think this is an "either/or" issue, I think it is a matter of degree.

Unfortunately summitry has been blown up to an extent which does not seem to me justified as a way of resolving problems. Therefore, I would be circumspect, to say the least, in promoting summit meetings.

As for the problem of meetings at the level of foreign ministers, here again it seems to me necessary to make a distinction.

The discussions among foreign ministers of the NATO countries or even smaller groups of two, three, or four friendly countries, does serve a necessary and useful function.

Senator JACKSON. Personal diplomacy within our own free world community is one thing.

Mr. BOWIE. Yes. This does offer opportunities for real understanding of the purposes of each country and for developing confidence in the ways in which they do things and their reliability and all that.

Senator JACKSON. Which is almost mandatory?

Mr. BOWIE. I think it is inescapable. One can quarrel about how much, how often, which forums, and so on, but this process is a very vital and useful part of building up consensus among cooperating countries.

As for the kind of meetings which tend to be far more demanding in terms of time, such as meetings, say, with the Soviets. I am much more skeptical about the value of meetings of the foreign ministers or higher. Generally these cannot fail to involve quite a lot of propaganda and it is very easy for them to degenerate into not more than that.

It seems to me this is a very expensive way for a Secretary of State to spend his time and energy. I cannot help but feel that if and when we can get down to serious discussions with the Russians, it will be a much quieter kind of diplomacy, with much less publicity and more opportunity for exploring issues than you can usually do at high level meetings.

So I don't think you forego real possibilities of any resolutions of issues as between the Soviets and ourselves by insisting it be done

initially at least on a businesslike lower level, less publicized than any meeting of foreign ministers is going to be.

That does not mean in order to put on the final touches it may not be essential to have a meeting of foreign ministers. This is a different thing from counting on foreign ministers to elaborate the proposals and work out the details.

Senator JACKSON. Mr. Pendleton, the minority counsel.

Mr. PENDLETON. No questions.

Senator JACKSON. There are many, many other areas we can get into. I know we will want to talk to you from time to time, Professor Bowie.

At this point I want to express our appreciation for your coming here this morning to give us the benefit of the very fine experience you have had and continue to have in the Government, as well as in academic life.

Mr. BOWIE. Thank you very much.

Senator JACKSON. We are most grateful to you.

Mr. BOWIE. I have enjoyed being here. I wish you well in your inquiry because it is very important.

I am pleased that your group does not believe that machinery is a panacea, as important as it may be.

Senator JACKSON. Good people can survive very poor machinery. We do feel that good people in Government can be aided, of course, by improvement in the machinery process.

Mr. BOWIE. Absolutely.

I don't want to minimize that for a minute. I am sure you can economize on peoples' energy and time and improve their effectiveness by giving them means to work which help rather than hinder.

Senator JACKSON. That improvement also includes our own machinery on the Hill.

Mr. BOWIE. Yes, I did not want to get into that because I am no expert, but my impression is that it is a fruitful field for work.

Senator JACKSON. I think in that regard that when changes are made in the executive branch improvements are likely to occur on the Hill.

To be specific, I think if executive branch officials took the position of wanting to present the overall national security requirements once a year to Congress they could do it to one committee—they would force Congress to act. When we passed the National Security Act in 1947, eliminating the War Department and the Navy Department and setting up the three services under the Department of Defense, this resulted in setting up one Senate committee, the Armed Services Committee, doing away with the Military Affairs and Naval Affairs Committees.

I merely cite this as an example.

Mr. BOWIE. Yes; I was impressed when I was in the State Department at the real drain on the time and energy of the Secretary in making appearances before Congress. Now, I am fully aware not merely of the necessity, but of the desirability of his appearing enough to make known to Congress the basic policies and the reasons for them and so on.

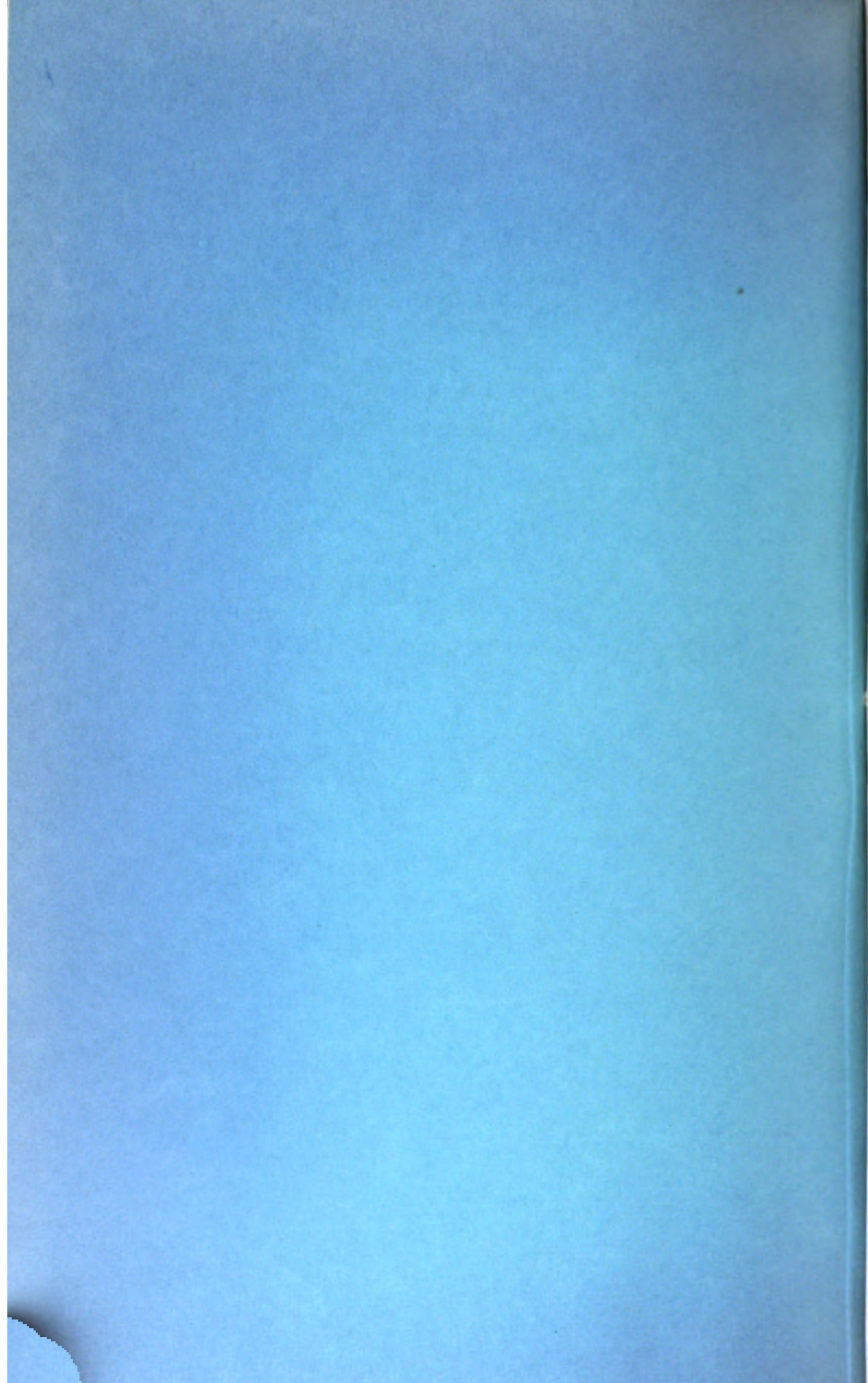
But still when you consider the amount of time that goes into preparing for a hearing and then the time that is devoted to the hearing and then frequently the time that has to be devoted after the hearing to particular issues that were raised, and when you consider the number of repetitious appearances which the Secretary makes before different committees on virtually the same subject, I really do think this is another place where a genuine saving of his energy and time could be made without at all losing the contact between him and the Congress, which is absolutely essential.

Senator JACKSON. Again, many thanks. We are deeply appreciative to you for your help.

The committee will now stand in recess until tomorrow morning at 10 o'clock.

(Thereupon, at 12:25 p.m., the subcommittee was recessed, to reconvene at 10 a.m., Tuesday, June 28, 1960.)

X



L.O.S. Congress, Senate

ORGANIZING FOR NATIONAL SECURITY

THE EXECUTIVE OFFICE AND PUBLIC SUPPORT

HEARINGS

BEFORE THE

SUBCOMMITTEE ON

NATIONAL POLICY MACHINERY

OF THE

COMMITTEE ON

GOVERNMENT OPERATIONS

UNITED STATES SENATE

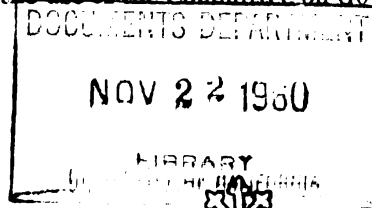
EIGHTY-SIXTH CONGRESS

SECOND SESSION

JUNE 28 AND JULY 1, 1960

PART VII

Printed for the use of the Committee on Government Operations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1960

COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, Jr., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TURTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

GRENVILLE GARSIDE, *Professional Staff Member*

BREWSTER C. DENNY, *Professional Staff Member*

HOWARD E. HAUGERUD, *Professional Staff Member*

EDMUND E. PENDLETON, Jr., *Minority Counsel*

CONTENTS

JUNE 28, 1960

	Page
Opening statement, Senator Henry M. Jackson-----	911
Testimony of Henry R. Luce-----	912

JULY 1, 1960

Opening statement, Senator Henry M. Jackson-----	941
Testimony of Nelson A. Rockefeller, Governor of New York-----	942
Executive session, testimony of Governor Rockefeller-----	989

THE EXECUTIVE OFFICE AND PUBLIC SUPPORT

TUESDAY, JUNE 28, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, Mundt, and Javits.

Also present: Senator Clark.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Brewster C. Denny, and Howard E. Haugerud, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The subcommittee will be in order.

The Subcommittee on National Policy Machinery is continuing today its series of hearings on the organization of our Government to meet the challenge of world communism and the building of a peaceful world order. We are seeking advice and counsel on three main questions: Is our Government now effectively organized to identify the critical issues facing our Nation, and to prepare wise policies to meet these issues? Is our Government well organized to coordinate the political, economic, military, and other related elements of policy? What constructive reforms might be suggested?

Our work is a study, not an investigation. The subcommittee takes pride in its effort to conduct the study on an objective nonpartisan basis. It is our privilege today to hear testimony from Mr. Henry Robinson Luce, editor in chief, Time, Life, and Fortune publications which have played a large part over the years in keeping the American people informed on public affairs. I am sure that everyone is familiar with the series of articles recently published by Life on our national purpose, which has been helpful in alerting the country to the challenge of the sixties.

Mr. Luce has served as a member of the overall panel of the special studies project of the Rockefeller Bros. Fund, whose reports on international security, the military aspect, and on the midcentury challenge to U.S. foreign policy have contributed much to our understanding of America's world position.

Mr. Luce, on behalf of the committee, I take great pleasure in welcoming you here this morning.

I believe you have a prepared statement, and you may now proceed in your own way.

**STATEMENT OF HENRY R. LUCE, EDITOR IN CHIEF, TIME, LIFE,
AND FORTUNE PUBLICATIONS**

Mr. LUCE. Mr. Chairman, I thank you for the honor of your invitation. You have undertaken a most important task and all your witnesses will surely join in deep good wishes for the success of your committee's work.

Your staff director, Mr. Mansfield, has been most helpful in giving me a list of questions to which this committee would like to have such answers as I can give. From Mr. Mansfield's questions and from your letter, Senator Jackson, I understand that the business of this committee is to consider how the Government of the United States can be better organized to carry out the national purpose. The basic question concerns national purpose. Once it is clearly established what the national purpose is, then means to carry it out can be more readily devised, and men and resources can be dynamically mobilized.

Mr. Mansfield's first question to me is as follows:

Do we, as a people, now have a clear understanding and consensus about our national purpose?

With your permission, I should like to concentrate mainly on this question, believing that a serious effort to answer this first question will indicate whatever answers I can give to the other questions.

For some time there has been a growing demand for definitions of our national purpose. All kinds of study groups and committees, official and unofficial, have been formed to seek the answers. So far it has seemed that all this earnest talk and thought has produced no results. So it seems—but I do not believe that is strictly true. I believe that something very important has been going on in America, that some results are already visible and that greater results will soon be evident. So the first part of my answer to Mr. Mansfield's question is: No, we as a people do not have a sufficiently clear consensus about our national purpose—but we are proceeding rapidly to get it.

What is the American national purpose? In my view, the United States was founded for a purpose, and it can endure only so long as that purpose is its highest law. The founding purpose of the United States was to make men free, and to enable them to be free and to preach the gospel of freedom to themselves and to all men. That purpose has withstood all manner of trial and tribulation, stress and strain. It is still our purpose. Our task now is to reassert that purpose by our own actions in our own time so it may continue in the lives of our children and their children through unimaginable changes in the circumstances of human life.

You will agree, I am sure, that freedom becomes a reality in the political order only when it is tied to law and to justice. Thus, the national purpose of the United States is properly stated only in terms of the very largest concepts known to political man. The two noblest and most inclusive concepts are freedom and justice—or freedom and order, or freedom under law.

Many influences have been at work in western civilization in recent years to cast doubt upon and to undermine these concepts and indeed all nonmaterialistic concepts. Much of latter-day philosophy and literature has tended to say that human life has no special or reliable meaning. The present quest for a sense of national purpose itself

signifies that the true nature of man is asserting itself against the long rule of the fashion of cynicism and materialism.

The affirmation of the profoundest principles of human life does not, however, relieve us of the need to define immediate tasks and goals. On the contrary, the effective affirmation of the most profound goes hand in hand with an urgent desire to see what practical things have to be done now, and a will to do them. In Professor Toynbee's famous formulation, human life consists of challenge and response. The challenge must be seen in its full height and depth, and the response must be made accordingly. But also, at any given time in a nation's history, the challenge must be defined in simple, popular terms. The challenge to America, and therefore to freedom and justice—the challenge, most simply yet truly stated, is organized armed communism. And the simplest, yet true, statement of our immediate national purpose is the reduction of organized communism as a threat to America.

The question can be asked, quite properly, whether such a purpose would lead to war. We are all of us united in hoping not so; but we are likely to fail in any and every American purpose unless at all times we are prepared for war, not only in military posture but also in our minds and wills.

While striving with all intelligence to avoid the arbitrament of war, we fight what has long since come to be called the cold war.

It is in relation to the cold war that our sense of national purpose can be most sharply defined and will be most profoundly tested.

What should be our purpose in the cold war? Very simple: we must win it, and the sooner the better.

Life has just concluded a series of nine articles on the national purpose. Each article made a valuable contribution to our present concern; perhaps the most specific statement of national purpose was made by Gen. David Sarnoff. He said that we must decide to win the cold war. There must be, said General Sarnoff, "an unequivocal decision to fight the so-called cold war with a will and on a scale for complete victory." And furthermore, the news of this decision must be plainly told to the whole world.

Further quoting General Sarnoff:

Our message to humankind must be that America has decided, irrevocably, to win the cold war and thereby to cancel out the destructive power of Soviet-based communism * * *

The great decision, once made and communicated to all concerned, will dictate its appropriate program of policy and action.

Gentlemen, I hope that this decision will be sweated out in the forthcoming presidential campaign. If so, the campaign will be one of the two or three most vital—and most truly American—campaigns in our history. This sweating-out process is one for our leaders and for all the people. Many political leaders have already made clear their sense of grave responsibility to keep this issue clear—unclouded by the commonplace appeal to lower motives of pocketbooks and pressure groups. We, the people, have the grave responsibility—now or never—to put the national interest ahead of our self-desires and group prejudices.

Leaders and thoughtful people realize that a decision to win the cold war involves enormous risks. It involves, indeed, the greatest

foreseeable risk of total war. The nearer we come to winning the cold war, the greater the risk of hot war. So long as we are only half-hearted about the cold war, there is no reason why Soviet communism should turn to total war. But when they see they are losing the cold war, then Soviet communism may face the choice of war or disintegration.

There are those who say that we should never present our enemies with so hard a choice. Perhaps they are right. Let us by all means agree that sound international politics includes the building of silver bridges for a beaten enemy, that it is not for men to demand unconditional surrender of the devil, and that the war aims of a civilized nation must be limited aims. Accordingly, let me suggest limited aims.

A minimum definition of victory in the cold war would be: to sever the state power of Russia and Red China from the mission of their present Communist rulers to communize the world.

In other words, as Lincoln said about slavery, communism must be so stopped from spreading that men can confidently foresee its withering away. That is a limited war aim. It would be quite a victory. Certainly it will not be achieved by our being only half-hearted about the cold war. It is quite a different aim from waiting like Micawber for a happier turn in human affairs. That course I believe would be in the highest degree irresponsible, and probably fatal to the United States and the cause for which it lives.

In any case, we must be prepared for total war. Are we? In my opinion, no. In saying we are not prepared, I do not have in mind primarily the problems of weaponry or military budget. I have in mind primarily the physical defense and protection of the people and the land of America. I have in mind civil defense and, specifically, shelters. We believe we will not strike the first blow in nuclear warfare. Therefore we must be prepared to receive it. We are not now so prepared.

No one knows how many millions of dead and wounded we can afford and still have a nation. But anyone with the least common-sense must recognize that a difference of 50 million dead, more or less, is likely to make the difference between the survival or disappearance of the United States as a nation. Therefore, it is shocking that the Federal Government announces to the people that it will be able to do nothing to protect their lives for several weeks after the opening of hostilities.

The determination to build shelters and thus to lessen the real danger of the annihilation of the American people will be the clearest sign that the leaders and Government of the United States have decided to win the cold war. Far from being a sign of cowardice, it will be a sign of courageous realism.

Having firmly decided to win the cold war, how do we go about it? We may continue to do what we are doing—only bigger and better. Economic aid is one obvious tool. There may be a need to give more economic aid, but in any case much more can be done to stimulate the normal processes of free enterprise and free trade. To this end there are many practical proposals such as the one made by Hermann J. Abs, the leading banker of Germany, and which he calls a Magna Carta of worldwide trade and investment.

Great though the opportunities are in the economic field, there is another subject which is even more urgently in need of full discussion. That is the political aspect of our worldwide efforts. Good economics is indeed a help toward establishing a good political order. But the hard fact we must face is that politics is more important than economics—and much harder to deal with.

When one nation concerns itself with the political condition of another nation, that is commonly called “interference in internal affairs” and officials seem to be required to be piously against it. This, I suggest, is the major hypocrisy of contemporary world politics. The plain fact is that every nation which exerts any influence at all is interfering in the internal affairs of other nations—and every nation, no matter how small, does exert some influence. I do not know what phrases or formulas statesmen may devise to rid themselves of the polite anachronisms which they now exchange. I do know that we would do well to get out from under this total unrealism, this childish pretense.

We can begin by seeing what are our objectives in the cold war. One objective, as has been said, is to reduce the threat of organized communism. If this is described as a negative aim, it is no less valid. Yet we all realize that you can’t beat something with nothing. If we do not want Communist governments or Communist chaos to prevail, then what do we provide in its place?

This question challenges all of us and requires me today to attempt to state the positive national purpose of the United States in world affairs. Our national purpose must be to promote, by every honest means, the establishment of constitutional governments—that is, governments which respond to man’s dream of freedom by giving him freedom under law. In 1917, President Wilson expressed this purpose by saying we must make the world safe for democracy. For me, that is still the best one-phrase definition of our national purpose. But I would add the correlative: We must make democracy safe for the world. Democracy becomes actual only when it exists in and through constitutional governments.

Experts seem to agree that many of the existing nations of the world are not ready or able to establish stable constitutional governments. Indeed, only a very few of the nations of the world have a background of history and tradition conducive to constitutional government. Most nations lack many other attributes, too. They lack current experience, they lack competent personnel, in many instances they are dangerously divided within themselves. All of this underlines the vastness and extraordinary difficulties of our task. The task nevertheless is there and we must undertake it—to promote and support constitutional governments.

There is one step we can take which will greatly improve the chance for the development of constitutional governments in dozens of countries. That is, the advancement of the rule of law in international affairs. The United States ought to take the lead in strengthening what law there is and in making more law by all the ways by which international law is made, including treaties and arbitration agreements covering all manner of subjects.

By advancing the rule of law in international affairs, we bind more and more nations, ourselves included, to a framework of law. Many

leading men in many nations are ready to join with us in the advancement of the rule of law. A sense of law is far more widespread than an understanding of the proper uses of freedom.

I believe that vigorous leadership in this field would, in the next 5 years, meet with far greater response than can now be easily conceived. It involves a tremendous amount of work by the lawyers of the world, by the foreign offices of the world and by other agencies. But the work is ready to be done.

First steps must be taken. For us, the first step is to repeal the Connally amendment concerning the World Court. Many people who desire strong, farsighted leadership by the United States in world affairs were deeply disappointed that the Senate of the United States did not choose to act on this vital matter at this session.

I assume that the Connally amendment will be repealed at the next session, and I also assume that the next President of the United States will make his major theme and insistent purpose in world affairs the advancement of the rule of law. To this end he will surely receive the creative collaboration of the Senate of the United States. I make these assumptions because the logic of the world situation demands them and because I believe the leaders of the United States are capable of that degree of vision without which any nation perishes—especially ours.

The essential part of the vision of the future which needs to be stressed is that of the so-called free world becoming more and more bound together by respect for law and by strenuous efforts to develop it creatively. Within a framework of international law, including regional law, the nations of the world will have a better chance to work out constitutional governments wherein the rights of individuals are honored and through which arrogant sovereignties are curbed by mutual and healthy respect for other sovereignties under law.

You gentlemen who are concerned day by day with such matters as the conquest of space have a close and constant awareness of the tremendous changes so rapidly occurring in the circumstances of human life. In our present state of knowledge there is only one form of government under which men may follow the beckonings of scientific truth wherever it may lead, and at the same time maintain those roots of basic principle without which humanity is dehumanized. That form of government is constitutional government, guaranteeing freedom under law. This form of government has room for much variation of style and manner but its basic characteristics are unmistakable. The promotion of constitutional governments throughout the world is therefore our principal business in the world. By our successful progress toward this goal, we shall win the cold war. And we shall vindicate by our actions in our time all that has been so deeply hoped and expected of America.

Senator JACKSON. Mr. Luce, may I express my appreciation and that of the committee for your fine statement. I would like to ask a few questions before turning to my colleagues.

First, in your judgment, Mr. Luce, are we gaining or losing, that is, overall, in the contest with world communism? If in your view we are in any respects losing, what is the single most important weakness in our effort? When I say our effort, I mean the effort of the United States and its allies.

Mr. LUCE. In many respects one sees gains. For example, there has been in many parts of the world a tremendous gain in the economic situation. Notably Europe, but also elsewhere. Economic gain we believe strengthens constitutional governments. So that is to the good. On the whole I would say that we are gaining, even though some of the aspects of gain seem to be rather painful. For example, when you have an upset in a government as they had in Turkey a few weeks ago, is that a gain or loss?

It would seem to me that is a situation where the people of Turkey are probably moving in the right direction, toward a better constitutional government. It is hard to estimate these things, because it depends upon your evaluation of each particular event. On the whole I think we are gaining, but not gaining rapidly enough.

Senator JACKSON. There are other areas, such as Latin America, where the situation is rather difficult. Would you say that Africa is a great new theater of the contest now?

Mr. LUCE. A new theater that we are hardly acquainted with. Nobody has had much experience, including the Africans themselves, who have had very little experience of how they will do in their efforts to develop good governments.

Senator JACKSON. I am sure all my colleagues would join with me in complimenting you and your associates, Mr. Luce, for the series of articles you just concluded on national purpose. It has always seemed to me that our American press bears a tremendous responsibility in helping to generate public support for a wise national security policy. Have you any suggestions as to how our press and all other information media could be more effective in this vital area? When one makes a speech on the threat that we face, people always ask, "What can we do?" This is what they ask us in political life.

Now, I want to ask you what you think that the responsible press of America can do to better enlighten our people in this broad area of challenge?

Mr. LUCE. I understand the question very well. I think when an editor or publisher is asked to say what the press of America as a whole should do, his proper inclination is to reflect on what he himself should do. The press of the United States is not an organized whole. There are indeed various press associations of one sort or another. But the individual editor and publisher is not responsible to any particular association, except in very minor degrees. So the question of responsibility for what the press should do, the point I am trying to emphasize here, is very much an individual responsibility upon a given publisher or a given editor or a given writer. I don't know any way in which the press as a whole can be made to do a better job than it is doing except by being exhorted from time to time.

Senator JACKSON. Mr. Luce, we have had some hearings on the question of getting better people in Government. We have in mind improving the structure internally as well as bringing people from the outside, from business, from the professions and so on. Witness after witness has come before our committee and said that we must do a better job of getting and keeping good people in Government. We know that there are various impediments today that discourage people from coming. One can give a rather long list in that regard. I wondered if you had any comments on this particular problem at this time.

Mr. LUCE. Senator, first of all I would agree with the other witnesses that this is a very important subject. I don't think I can remember a time, except during wartime, when it was not said that we needed better people in Government. But I think that applies even more now when we have this great world job to do. It is more important than ever that there should be able people and dedicated people in the Government. There should be more of them. The question is how do you go about that.

It would seem to me that there are some obstacles which might be removed to some extent, such as the question of conflict of interests. It seems to me in the last 2 or 3 years there has been an unnecessary confusion about that. Or rather there has been a tendency to get technical instead of relying on the integrity of individuals.

Senator JACKSON. Mr. Luce, if I may interrupt at that point, on the conflict of interest problem, an example was cited to the committee where the President desired to appoint a lawyer in New York City who is a member of a large New York law firm to the Fine Arts Commission. It is a nonsalaried job. The gentleman had to refuse the assignment for the reason that if he accepted this Federal position, his firm would have to give up all their Federal practice. I merely cite that as an example of the difficulty that we have today in getting such people to come to Washington.

Mr. LUCE. Mr. Chairman, it seems to me that the legislative branch of the Government would have quite an opportunity in straightening that out. A willingness to trust the integrity of the people who are appointed to Government positions must be implicit.

There is a second thing, and this would apply both to experienced people, to people who have other important jobs or professions, and also to younger people. I refer to the clarification of the national purpose. If younger people felt that the Government of the United States in the next 10 years really had a job to do and intended to do it, this would be a strong appeal. People would be glad to have a part in a great accomplishment in the present and near future. Not that we are going to solve all the problems of the world in the next 10 years, but if there was a feeling that the United States is fully engaged in a tremendous effort to accomplish something in the world, this would be important for many young people.

Senator JACKSON. Don't you feel that we have failed in our efforts, at least in part, to convey to the people of our country the fact that we are now in a war? Isn't this a part of what you have been discussing about national purpose? We are in a conflict now. If we are in a conflict, then it seems to me we should make the same kind of effort in getting good people to come into Government as we have done so successfully in previous conflicts. If there is a hot war going on, we get them in here one way or the other, don't we?

Mr. LUCE. I agree entirely, sir.

Senator JACKSON. I am pleased to have that observation. It seems to me that this is one of the good things that can come from the good, thorough debate on the subject of national purpose. If people fully understand and appreciate it, it seems to me we will be able to make more progress than we have been making.

Senator MUNDT.

Senator MUNDT. Thank you, Mr. Chairman.

Mr. Luce, as one who cherishes among his possessions a little black and white publication bearing the legend "Volume 1, No. 1, Time Magazine," I have been reading you and observing you for a long time. It is really a pleasure to have you as a witness before our committee this morning. Of course, I cherish among my congressional experiences the close association I had with Clare when she served with such distinction as a Member of the House of Representatives.

I like this comment about the reduction of organized communism as a threat to America. That means it seems to me more than simply strengthening ourselves and strengthening the free world if we are going to reduce the threat. We are going to have to weaken the Communist apparatus, and decrease the size of its operation. It would seem to denote liberalization and liquidation of something of the areas which are now under Communist control. Do you have any thoughts? Are we going to saddle the world with a status quo, with the Communist half of the world Communist and our half of the world free. Do you visualize as our national purpose to provide opportunities of freedom to areas of the world now under communism?

Mr. LUCE. Senator, I am very clear on one thing. I think most people in responsible positions in the Government and in the Senate are, too. That is, certainly we must never in any formal way agree to the perpetuation of communism in any particular area of the world. In other words, the idea of working out a long-range permanent agreement which accepts the existence of Communist rule in any part of the world—I am sure everybody is against that. In the first place, it would seem to me to be quite foolish to trust Communist States under such a deal as that, so the deal is not worth anything. More than that, it would stultify all our principles to make a solemn agreement under which any particular number of people would be required to live under conditions of tyranny.

Senator MUNDT. Our national policy insofar as it is enunciated in official words of people who operate it seems to sort of swing in a pendulum movement from containment to liberation. I must say we never do very much about liberation. Sometimes we talk about it more than we do at other times. Could you give us any suggestions as part of our national purpose as to things we might do more successfully and effectively in the area of liberation as a part of our national policy, as against simple containment?

Mr. LUCE. I suppose when containment is used as a definition of policy, if not purpose, the thought there is that if we effectively contain communism, this will tend to weaken communism within the area in which it is contained. I suppose that is implied. It is on the general principle that everything will either grow or decline. So if you absolutely stop the growth of communism, this will tend in itself to bring on its decline. The word "liberation" is obviously a difficult one, because this seems to imply our taking an initiative in a hot war.

Senator MUNDT. Or it might be an encouragement of the self-liberation on the part of the people who are presently enslaved.

Mr. LUCE. It seems to me we should encourage all people to revolt, if you like, who live under conditions of what we consider tyranny. It seems to me this is an old American custom. Long before the United States felt it had any positive or had much positive responsi-

bility in world affairs, it was in general sympathetic to, and even an advocate of people throwing off the yoke of tyranny.

I should think, for example, the case of the Italians is a case in point where the sympathy of the American people and of President Lincoln, was quite clearly on the side of those who wished to bring about Italian freedom. So to encourage liberation seems to me just a part of an old American custom.

Now, the question is, Do you encourage it by organized means such as propaganda or other means? I should think it would be quite consonant with the policy as well as the purpose of the United States to do so.

Senator MUNDT. In line with that, because it seems to me that a well prepared and well informed and well trained group of Americans who really understand the significance of communism plays a mighty important part in all of this, and as one of the cosponsors of legislation to create a Freedom Academy in this country, I have noticed with great pleasure editorials in *Life* from time to time, and articles supporting the creation of the Freedom Academy. I wonder if you would dilate a little bit on some of the things that an organization of this kind might accomplish in the direction of giving us a stronger voice in helping to weaken communism and promote freedom?

Mr. LUCE. Senator, I don't think I can say anything about that that you are not quite familiar with. Your proposal for a Freedom Academy seems to us to be a very good thing in itself. And it is the kind of new thing which we should be attempting to work out in this country. New ways of doing things.

Senator MUNDT. To me one of the greatest advantages of something like the Freedom Academy is this: I think there is a lot of value in what President Eisenhower refers to as the people-to-people program and campaign. But for it to be effective, our part of the peoples have to be informed. They have no understanding. There is no question about the other half of the peoples who come here as visitors from Russia. They know what they want. They know what communism is. They have a fixed idea of freedom. When they come over here they come here as agents and they come here for a purpose. They come here as missionaries for an evil thing. I think we have to inculcate our visitors abroad, and our public servants and business representatives abroad with some understanding of what this is about. Would you agree?

Mr. LUCE. I would agree with you on that as an ideal. It seems to me that practically you have to recognize that Americans are very unequal in their interest and understanding of politics. The people-to-people program is good in that it gets all kinds of people into the act whether they know much about politics or care about it. Some people who are interested in music and other arts don't know much about politics.

The importance of a thing like the Freedom Academy is to insure that there are enough people who are specialists in the art of international politics. The more the businessman or the artist or the educator can have a good, clear idea of practical politics the better. The people-to-people program in part is an act of faith that human contacts of all kinds will serve our interest. We have nothing to hide in our attitude or in our efforts and struggles to make a better life.

While some of the people that get involved in our people-to-people program may be very naive about politics, on the whole we have to make an act of faith that the people-to-people program does much more good than it ever will do harm.

But we should make sure we have a sufficient number of people in an organized way that do understand the tough realities of international politics.

Senator MUNDT. I was very much interested in a question that the chairman asked you about the responsibility of the press and the media of information in this country to help equip our people ideologically for an appreciation, No. 1, of the nature of communism and its relentless objectives, and, No. 2, of the realization that we are in a cold war which has to be fought on a day-to-day basis. It has to be fought to victory just as a hot war. You either win a war or lose it; it seldom ends in a stalemate.

You said quite properly, of course, that the press associations and the editorial associations cannot dictate policy to their members. Each publisher, each editor and writer, has to search out his own conscience and his own ability and conduct himself accordingly. But as one of America's outstanding publishers, and a fellow who has been working at that last for a long time, I would be interested in any exhortation you could give to your colleagues and associates as to what you think might be done better to help achieve this objective.

Mr. LUCE. How the press could do a better job?

Senator MUNDT. That is correct; in this area.

Mr. LUCE. That is an awfully big subject.

Senator MUNDT. You are an awfully big authority.

Mr. LUCE. That is one subject I can't claim I know too little about. I can claim that about almost anything else. One thing, Senator, obviously is the question of maintaining a high degree of interest in the cold war. As I said in another connection, we cannot assume that all people are equal either in their political knowledge or in their political interest. In a free country people have the right to differ in the degree of effort they put into politics or in the degree of interest they take. We may try to get everybody from childhood on to take a basic and serious interest in politics. In fact, we know that some people are interested in politics to a considerable extent and some people are not.

In putting out a daily newspaper, let us say, the editor and publisher must put in the paper what interests people. An awful lot of what interests them has very little to do with the cold war. I think this is maybe the key of the problem: That the editor and publisher ought to make the facts and problems of the cold war more interesting to people. And they will do this, if they themselves are seriously interested.

This is one of the problems of a free country. You don't control the press. You don't control the television. You cannot control what people will be allowed to hear about. If they want to hear about sports and problems of housekeeping and children, whatever it is, then they have a right to. So in a sense the job of an editor of any general newspaper is to make special efforts to make the cold war interesting, understandable, important.

Ultimately we know it is the most interesting thing in the world, because the whole fate of the Nation and the individual is involved.

Senator MUNDT. The whole question of survival.

Mr. LUCE. The very life of the children in any family depends on this. So it ought to be interesting, but sometimes it is not made sufficiently interesting.

Senator MUNDT. One other question. I read a very interesting brief or article the other evening from an individual looking at the way we fight the cold war, who made this analysis and allegation. He said that a country even like the United States cannot do everything at once. There are limitations to our power. So we have to have some selectivity in what we do abroad as we have to have selectivity about how many dams we can build in any given year to improve the national resources of the country. He said he felt that one of the mistakes we were making as a country in fighting the cold war is a tendency to dissipate our resources by spreading them over too wide an area. Trying to do too much, too soon, especially the suggestion and the theory that we should do more in those areas which are industrialized and where we can toughen and tighten and make them stronger allies, in the areas which presently are able to do something should a hot war eventuate and to join us in leadership in supporting a cold war.

In other words, suppose we are down to the last billion, and we want to lay it out overseas to do the most good. Do we spend it in the underdeveloped areas trying to get them clothes, and change sandals to shoes, and to change huts into houses, or do we spend it in areas where it is important to develop an industrial complex and a little stronger recognition of the dangers of communism and a greater realization of their part in joining us in fighting this global conflict?

Would you have any comment to make as to which horn of the dilemma we should choose if we get down to our last billion dollars?

Mr. LUCE. It is certainly a dilemma. The United States is in a situation, I suppose, such as no other country has been in. We must necessarily be concerned with nearly every country in the world. I can't keep track how many there are. I believe it is almost up to a hundred now.

Senator MUNDT. It changes all the time.

Mr. LUCE. So the first thing I would say is that the United States should show interest in these countries. It very often does not take a great deal of money just to show that one is interested in a country and has some appreciation of its problems. As to the industrial thing, as to whether we should concentrate on those countries that already have a big start in industrialization, it seems to me that maybe we don't have to concern ourselves about that so much now because notably Europe has developed a very high industrial and commercial viability. Western Europe, as you know, is in extremely good shape. I suppose they will have zigs and zags in the economy like all nations. But from what I gather the general trend in Europe should be upward.

There is the development of the Common Market. If they work out a proper relationship of the Common Market with the United States, the prospect is for a very great development of economic progress in Europe. I would say the same thing is indicated in Japan. It would seem to me that we would not have to use taxpayers' money to help industrialized countries. The more important thing is that the correct relations of trade and investment be developed and main-

tained. I should think that our economic aid, which is what you are referring to, should primarily go to underdeveloped countries.

Senator MUNDT. I was thinking in terms of the whole mutual security package, not necessarily economic divided from psychological or educational or cultural or military. I was referring to the whole package. In other words, do we concentrate on being sure that we hold an area like Japan and Italy and Turkey, or do you concentrate perhaps on these new African countries which for years and years and years and years at best are not going to be important adjuncts in this fight.

Mr. LUCE. I would not think that Africa—central Africa—would become strategically important in the next decade or so. In other words, if other countries are held on our side, it would seem to me that Africa would not be a major strategic factor in world affairs for some time to come.

Senator MUNDT. Thank you very much, Mr. Chairman.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Mr. Luce, I join in the expressions of appreciation that were rendered by the other members of the committee. I would like to refer, as the chairman and Senator Mundt have, to the statement that we must win the cold war and the sooner the better. Would you agree that one of the alternatives to winning the cold war is coexistence?

Mr. LUCE. Yes, I think so.

Senator MUSKIE. So you would dismiss coexistence as an appropriate objective of our national purpose at this time?

Mr. LUCE. I think a phrase often used by Mr. Khrushchev and others is peaceful coexistence. I do not think there can be peaceful coexistence between the Communist empire and the free world.

Senator MUSKIE. You do not think there can be?

Mr. LUCE. That is right.

Senator MUSKIE. So we should dismiss that as a national objective?

Mr. LUCE. If you take coexistence to be a fact of life, such as that things are what they are, there is a Russia and there is a France and there is a United States, of course they coexist in the sense of existing simultaneously. But peaceful coexistence is another matter and is, in the nature of things, impossible between the Communist empire and the free world.

Senator MUSKIE. In other words, you cannot envision coexistence as a stable status between the Communist countries and the free world?

Mr. LUCE. Will you say it again, please?

Senator MUSKIE. You cannot see coexistence as a state of stability?

Mr. LUCE. No.

Senator MUSKIE. Then the only other alternative to winning the cold war is losing it?

Mr. LUCE. Yes.

Senator MUSKIE. What would our losing the cold war mean to the Communist world? What would be the manifestations of our defeat for Russia and China?

Mr. LUCE. That more people and countries became Communist or became sympathetic to communism.

Senator MUSKIE. What would the manifestations of defeat for the Communist bloc be? What would defeat mean to them, if we were to win the cold war?

Mr. LUCE. One could always hope that in a period of 10 years they might not feel their loss of the cold war as defeat because change might occur. I don't think that we can sit around and wait for time to change situations in Soviet Russia or elsewhere. But if we proceeded toward winning the cold war and had success in it, then along with that one could hope for some change in attitude in the Communist world.

At any time, we should show our interest in having any part of the Communist world join with us in something which has been recognized as the rule of law. This invitation should be open at all times. So a Communist country could figure that it could go on being Communist, although no longer interested in the promotion of communism or communizing the world. That would be a change of attitude—a radical one—which is devoutly to be hoped for and might occur. I think it will only occur if we are successful in fighting the cold war.

Senator MUSKIE. In these terms you are not thinking of defeat of communism as an undermining of their economic strength or their ability to provide a better living for their people?

Mr. LUCE. I am not sure I follow you.

Senator MUSKIE. When you say we must defeat communism, you are not saying that we should undermine the Communist countries economically.

Mr. LUCE. No, not economically.

Senator MUSKIE. One of the purposes of communism at the moment—it seemed to me to be true as I traveled through Russia last year—is to improve the lot of the average Russian citizen. In your terms, a victory in the cold war for America would not diminish the ability of the Soviet Union to provide a better life for its people?

Mr. LUCE. On the contrary.

Senator MUSKIE. If the Soviet Union could continue to improve the lot of its people, would it not thereby be continuing to demonstrate to uncommitted peoples that communism can improve the lot of their people?

Mr. LUCE. I am not at all sure about that, Senator. It seems to me this is one of those very difficult equations. It would seem to me that if there is a really great improvement in the standard of living in Russia, this is likely to bring a change in what we call communism.

Senator MUSKIE. With that I could agree. I think two factors working for us in the Soviet Union are, one, the education of their people, which I think tends to free the human mind and enable it to range beyond the restrictions that the government might be trying to impose, and secondly, the improved material condition of their people. But this is something different than the result of a positive effort on our part to win the cold war. It seems to me that if we are going to win the cold war on terms which you have laid down, that we must undermine the image which communism is able to project to the uncommitted nations of the world that communism is a means for effectively promoting the economic lot of those people. So long as communism is working in the Soviet Union and in China effectively toward this objective for those people, the Communist message is going to continue to have appeal in the uncommitted countries, is it not?

Mr. LUCE. Yes. I think I agree there. It is very difficult to know just what the appeal of communism is. After all, it is to be remarked,

I think, that not a single country has ever gone Communist by free and open vote. Communist activities in various countries, as in South America, are very often not in terms of the Communist doctrine but in terms of exploiting whatever they find to exploit. If there is a tendency in South America, as there has been as long as anybody can remember, toward being anti-Yankee, then the Communists pick up this and exploit it. If it is a former colonial area, the Communists will exploit anticolonialism. Communism will exploit any appeal its agents find handy. I would say the Communists rarely sell people on any coherent economic theory or even pragmatic demonstration.

Senator MUSKIE. I agree with that, Mr. Luce. I wanted to clarify simply the concept that victory and defeat in the cold war, victory for us in the cold war will not necessarily mean defeat for the Communist countries except in relation to its ability to extend itself.

Mr. LUCE. That is right. I tried to say the ability to extend itself. The ability and the compulsive urge.

Senator MUSKIE. So that defeat for the Communist countries will not mean a weakening economically or socially or politically of China and Russia internally?

Mr. LUCE. Here we get into some problems. My guess would be on the basis of what I can see that the Chinese in fact would be better off if they were not under a Communist regime.

Senator MUSKIE. Do you think that underminig the ability of the Communists to extend themselves would undermine the political domination of the Communist philosophy internally?

Mr. LUCE. I think that is what they would be afraid of.

Senator MUSKIE. Would this manifest itself in an evolutionary way or a revolutionary way internally?

Mr. LUCE. Probably both. Evolutionary in some places, revolutionary in others.

Senator MUSKIE. If it should develop in an evolutionary way, then actually what we would achieve would be coexistence.

Mr. LUCE. We have coexistence anyway.

Senator MUSKIE. But coexistence in the sense of a stability.

Mr. LUCE. This would tend toward peaceful coexistence, if I understand your meaning. This would tend toward peaceful coexistence.

Senator MUSKIE. When you speak then of victory in a cold war, you are not speaking of something that can develop quickly or which will be manifested clearly at any single point in history. You are really thinking of a gradual thing in the status and relations of countries to each other.

Mr. LUCE. Senator, I think our determination and scale of effort should be greater in what we call the cold war.

Senator MUSKIE. I would like then to turn to this. In discussing the instruments which we should use to work toward victory, you refer briefly to the military, a little more at length to the economic and then greatly at length on the political. Is it your judgment at the moment that our military effort is adequate to the tasks which you lay down?

Mr. LUCE. Adequate to what?

Senator MUSKIE. To the tasks which you laid down in your statement.

Mr. LUCE. I think so, or if not, very nearly so. In budgetary terms, and I am not an expert in these matters, I would say that our

Military Establishment is within a billion or \$2 billion, let us say, of what it ought to be at the present time. The thing that I did remark was that always behind the cold war is the possibility of a hot war, and this, it seems to me, we are not prepared for, because we have not faced up to the question of civil defense. That, it seems to me, is the main gap in our defense—the almost total inadequacy of civil defense.

There are some other important matters. There is the question of whether we are efficiently equipped to fight what is called small wars or brush fires. I expect we are, but I recognize that this is a question, and perhaps not enough attention has been paid to the type of organization, the type of units which should be developed for small military action.

In general I would say that, except for civil defense, our military situation is about adequate.

Senator MUSKIE. Would you say that the decisions which are being made today with respect to our military posture are such as to insure the adequacy of our military posture for the indefinite future?

Mr. LUCE. I would think that there can be no assurance of that at all. The change in technology can be so rapid I believe Mr. Khrushchev has already said that he either has a weapon or is about to get a weapon which will make all present weapons look like toys. He may be just bluffing. But in any case, the rapidity of development of technology is so extraordinary that one cannot say that you can maintain this balance of terror or balance of deterrence indefinitely. At one point or another one side or the other may get ahead.

Senator MUSKIE. Conceding that, would you say then to the extent that it is possible to anticipate our requirements and the instruments which may be available to meet those requirements that we are making adequate preparation for the future?

Mr. LUCE. I think I would always like a little more.

Senator MUSKIE. There are two or three other areas I would like to cover, but I will touch on one more now and leave some time here for my distinguished colleagues. With respect to establishment of new constitutional governments over the world, within a given underdeveloped country, what are the necessary conditions, in your judgment, for the establishment of constitutional governments and free institutions?

Mr. LUCE. Of course, there is a tremendous variety among all these countries. When thinking about that kind of question, one thinks about certain countries. The country I am thinking about now is Pakistan. There they did work out a constitution. It took them 5 or 6 or 7 years of work on this constitution. I believe it was a good constitution. They had certain advantages in Pakistan, as well as all the disadvantages that we know—poverty, ignorance, and so on.

One advantage they had was that they did have some experience with the British judicial system. So they understood about law. They understood something about the administration of justice and what this calls for in modern terms. So the constitution was adopted. Then for various reasons it did not work. It seemed necessary to suspend it. The present chief of state of Pakistan says that he is working on another constitution. Perhaps within a year, he will attempt to have new elections under the new constitution. Here is trial and

error. I would say the first requirement for constitutional government is an understanding and a desire to have a constitutional government as evidenced by writing a constitution. Then secondly by putting it into operation and trying to make it work. Then you can see what the troubles are. Obviously one of the troubles right away becomes a matter of the personnel. Have you got the people who are capable of not only running the administrative government, but who have the understanding of what the British call parliamentary government, and we would call a constitution?

One important trouble in the Pakistan experience comes under the head of what is generally called corruption. We are not unfamiliar with the problem of corruption in this country. This is a problem which becomes relatively more acute in other countries in most of the countries of the so-called free world. This is the kind of thing that we have to be aware of. A tendency, therefore, to diminish—I am using the general term—corruption, is a very important condition of successful constitutional government.

It seems to me that when our officials who are engaged with a certain country see that corruption is becoming intolerable, there are appropriate attitudes or actions which the relevant officials of the United States could take. In other words, great care should be exercised not to encourage a country or a government which is involved with corruption, but rather the contrary.

Senator MUSKIE. Do you think we should take positive steps to correct conditions of this kind within a country?

Mr. LUCE. Yes. This is the kind of thing which it is not always necessary to spell out officially. But if a fellow knows what he is supposed to do, he can find ways of doing it.

Senator MUSKIE. Would you use recognition or withdrawal of recognition of a government as a means of control?

Mr. LUCE. Recognition of government? I didn't mean that. I meant, for example, economic aid.

Senator MUSKIE. I am not suggesting you meant it. I asked you this question.

Mr. LUCE. This could be the ultimate thing. I would say that there could come a point. If we become clearer and clearer in our minds that our job throughout the world is the support and development of constitutional governments, then this would be one of the measured criteria of a great deal of our action. I am perfectly willing to contemplate the exceptions of expediency. You have to deal with a certain country which is simply not prepared to have a constitutional government. There is this reason and that reason. You should at all times be aware of the exceptions we are making to our general rule and purpose, and try to have in mind why we are making the exception. The presumption should always be against our collaboration with a government which does not have or is not really striving to establish constitutional government.

Senator MUSKIE. Thank you, Mr. Luce. I know my colleagues have questions. I may have another chance.

Senator JACKSON. Senator Javits.

Senator JAVITS. Mr. Luce, as my constituent and friend, I am delighted you are here. So far you have certainly helped us enormously in this area. We are constituted to study what changes should be made

in governmental machinery. That is one subject to which you have not really addressed yourself as yet.

Will you give us your comments, especially in the light of the suggestions which have been made to us in this committee, as to how you think our Government machinery might best conform to these very urgent demands of the world situation? For example, it has been suggested to us that the Secretary of State should be the man who would head the whole national strategic direction of the country as the President's principal lieutenant. Ambassador Kennan made that suggestion. Governor Rockefeller, who testifies before us on Friday, and who is our Governor in New York, has suggested that a higher official than that be especially charged by the President with coordinating the national strategy. Others have suggested that we have a system of Deputy Secretaries of State to do the traveling and negotiations.

I only make those points to implement what I mean by my question. We would certainly appreciate any comment you have on the fundamental purpose of this committee, which is to advise on what should be the national policy machinery.

Mr. LUCE. Senator Javits, on the big subject of organization of the Government, I know that there are a great many people whose comments are much more useful than anything I could say. I think it is interesting that these suggestions are being made. I did read most of the testimony of former Secretary Lovett, and what I got out of that was that while there are some changes that might be made here and there, the changes in Government organization do not go to the heart of the matter.

There is undoubtedly need for more decisiveness on the part of certain senior officials. This would seem to be more a question of the officials themselves. I may be wrong, but I take it that the Secretary of Defense has a great deal of authority and can exercise it in the manner that he wants to.

Senator JAVITS. In the hierarchy of national policy machinery, one; two, national policy; three, people to execute them, the policy beginning with the President, which do you think at this time requires the most urgent revision? Which one of the three do you think requires the most urgent revision; first, machinery, which you have just discussed; second, policy, which is discussed in your paper; third, personnel, which you have just referred to?

Mr. LUCE. I think first policy and second personnel.

Senator JAVITS. I notice on that subject that you have in your prepared statement the following statement:

Gentlemen, I hope that this decision will be sweated out in the forthcoming presidential campaign.

Do I understand, therefore, that you expect that one of the basic issues of the current campaign is going to be which candidate declares that we have got to win the cold war and what he is going to do about it?

Mr. LUCE. Yes.

Senator JAVITS. Do you think that should be a basis upon which the American people make their decision?

Mr. LUCE. Yes.

Senator JAVITS. You recommend, I gather, Mr. Luce, that there ought to be a fundamental declaration that we intend to win the cold war. You have given us, I gather, your thoughts?

Mr. LUCE. Yes, Senator. As to the question of policy, in one of your committees—I think it was a subcommittee of the Foreign Relations Committee, that Senator Fulbright set up just before he became chairman of the full committee, to review foreign policy a year and a half or so ago—one of the people testifying there suggested that clarification of purpose was the most important thing. One of the witnesses suggested that this could be greatly helped by a resolution of the U.S. Senate, the Senate being the continuing body in our Government. While the greatest responsibility for policy and purpose rests upon the President of the United States, nevertheless it would be entirely appropriate for the Senate of the United States to make a statement of the purposes of the United States in this period of history. Not that this would have to have a unanimous vote of the Senate, but a very big majority or two-thirds should make this statement, and this would have a great effect around the world.

Senator JAVITS. Do you believe there is any question about the decision to win the cold war? Don't you believe that Eisenhower, Nixon, every Democratic candidate, and every one of us, and you agree that this is the national purpose, to win the cold war?

Mr. LUCE. No, I don't think we have agreed quite solemnly about that. It seems to me in all our minds from time to time it is too easy to entertain qualifications or confusions. For one thing, there is a tendency for people to sound very wise by saying the cold war will go on for 30 or 40 years. I don't particularly like that kind of talk. I recognize the possible truth in it. I certainly don't think that the world is ever going to be Utopian in 30 years or 3,000 years. But it seems to me that the minute you start talking, as so many wise people do, about this being a long 30- or 40-year struggle, right away the effect on me and others is to say, I don't have to do anything today. I will go fishing. So while I am all in favor of the truth, our emphasis should be on winning the cold war now, soon. I do not think there is real agreement on urgency. I realize that you cannot get in cold war or peacetime conflicts the same kind of urgency you get in a shooting war. William James is often quoted as saying that what the United States needs is the moral equivalent for war. This is true even if there is no communism. So we are all familiar with the difficulty of getting a sense of urgency when the enemy is not at your gates and has his gun barrel right in your stomach.

I believe we could get a greater degree of agreed determination to win the cold war than we have.

Senator JAVITS. You would therefore spend what it took in national resources and in people and time and energy, dedication and policy, to not only make that determination but to go ahead and do it in the most expeditious time without any preconception that it will take one, two, three, or four decades.

Mr. LUCE. Yes.

Senator JAVITS. I agree with you. I think that is absolutely what we mean and I hope that is the main thing that comes out of all of the argument that is going on now. I think if we could make that decision in the national campaign, the national cause as distinguished from the national purpose would have been enormously advanced.

Now I notice that your implementation—I will just be a minute, Mr. Chairman—calls for a number of things. I would like to go over those with you very briefly. Shelters, and a civil defense posture on the part of the United States. It will interest you to know, Mr. Luce, that we have been knocking ourselves out to get the House of Representatives to agree with the Senate on spending \$12 million, and this is the third time it has been up—not billions, millions—to supply adequate personnel, let alone shelters, around the country and it has not been done. From what I hear now, it still is not likely to be done. What do you think about that?

MR. LUCE. I think it is one of the most difficult things currently in the American mentality, this question of shelters. I think we have to work this out. I don't know why we got ourselves in this psychological situation. I am told, and this may not be right, that 10 years ago, the Pentagon was against it. The Pentagon wanted to hear nothing about civil defense, giving some real reasons and some phony ones. Maybe the real reason that they did not want the money spent there was they wanted it all. The phony reason was that shelters would be a sign of cowardice. It is not the American thing to crawl in a hole—that is the kind of stuff which has been used against shelters. I hope this is not introducing politics into this session, but because it is such an extraordinary thing I would like to pay my own personal respects to Governor Rockefeller for having the courage to really take the subject up. I think he has not gained by it politically. It is not a good thing politically.

SENATOR JAVITS. Mr. Luce, the next point you make is the buttressing of oversea private investment. I would like to point out to you that our minority counsel suggests that we don't even have shelters for Congress.

MR. LUCE. I would agree that first things come first.

SENATOR JAVITS. Talking about private investment, I noticed that you mentioned Dr. Abs, the head of the German bank, as calling for results by which worldwide trade and investment may be stimulated. We have had going through the Congress a bill called the Boggs bill to give some very elementary tax inducements to oversea private investment. I don't know that is going to get anywhere this session. I don't mean that particular bill, but the general idea.

MR. LUCE. I am for it. But it is even more important to get other countries into agreements, whether the Abs agreement or some other agreement. Note, for example, our most difficult experience today with Cuba. We did not have any prior treaty or other arrangements with Cuba as to what should be done about expropriation. So while the American people seem to be very much annoyed with this thing, in fact as far as I know we have no case in law, or not much of a one, against the outrageous behavior that has been going on.

SENATOR JAVITS. The third point you make is to promote and support constitutional governments. In that regard I would like to ask you what do we do before this constitutional government or before the people are ready, and you mentioned that yourself. Should we have some effort to have the United Nations step in for all of these countries? Do we try to do something about it unilaterally? What do we do in connection with the government of a country which is at the stage where its people insist on not being colonial and subject to some

other government and at the same time are apparently not ready or incapable of governing themselves at that particular moment?

Mr. LUCE. One thing that we have working with us and have had working with us is inclination of all these new countries, and some that are not so old—let us take the South American countries—toward what is generally called democracy, toward what I tried to call more precisely constitutional government. This is generally the tendency of the times—or at least the apparent desire.

Now a given country undertakes to establish a constitutional government and it fails or shows signs of failing. Then one has to be very pragmatic with that particular country. We have economic, military, and other relations. In these relations we have to keep in mind that our main concern is to maintain constitutional government.

Incidentally, some experts, I think, would say that the United States sometimes is at fault in not keeping in touch with the opposition, with the loyal opposition in any given country. Sometimes we play too much on one side of the street, whereas the United States ought to show what it is interested in is not primarily the government of the day, but the maintenance of constitutional government including the proper throwing out of any existing government according to constitutional methods.

Senator JAVITS. Of course, the thrust of my question is what do we do about the dictators with whom we admittedly do business and which is very distasteful to many people?

Mr. LUCE. I said we have to make exceptions for expediency's sake. We should be aware at all times how many exceptions we are making and realize that they are exceptions and that we do not like them.

Senator JAVITS. And of what is our fundamental objective, which is constitutional government.

Mr. LUCE. In a country where we have diplomatic relations, which is a dictatorship, it should be indicated for an American ambassador to say day in and day out, your reasons for having a dictatorship may be quite justifiable in your eyes, but let us make it perfectly understood that this is not the kind of government the United States likes.

Senator JAVITS. Finally you mentioned the rule of law and you mention that we have not been able to shed ourselves of the Connally amendment which is proper. We had a treaty up the other day which sought to give absolute jurisdiction to the International Court of Justice in disputes, and that phase was promptly turned down and is still pending. Under all these circumstances, and my reason for recapitulating these for you is the following: Don't you believe that we need to take a national determination, and you were asked, for example, what can newspapers and magazines do. It seems to me your work is cut out for you right here. Somehow or other the people of our country, and we reflect the people and this goes for the colleagues who vote "No" as well as I who vote "Aye," some people of our country don't feel as I do and you do. They have not made these decisions. Don't you think that is really the nub of our problem?

Mr. LUCE. Yes; I do.

Senator JAVITS. And really, therefore, whether it is by the presidential debate or what you folks do with your tremendous publications and what the press does, our common job is the development of the American mind to make these decisions?

Mr. LUCE. I agree.

Senator JAVITS. I thank you.

Senator MUSKIE. I am happy that Senator Javits made that point. I think it is critical on issues of this kind. In the absence of Senator Jackson, who will return shortly, it is my privilege to turn this over to Senator Clark.

Senator CLARK. Mr. Luce, I would like to compliment you and my good friend, Andrew Heiskell, on that splendid series of articles which Life sponsored, and which you and the New York Times published. I thought they made a real and important contribution to this important national debate that is going on. Personally, I happen to like the articles prepared by Archibald MacLeish and Adlai Stevenson and Walter Lippmann and James Reston probably because they represent my own point of view a little better than that of General Sarnoff. But they were all good. I think you did a fine public service in putting that out.

Mr. LUCE. Thank you, sir.

Senator CLARK. I wonder if you would turn your attention to your prepared statement where in discussing our national purpose you say that the two noblest and most inclusive concepts are freedom and justice or freedom and order or freedom under law. I wonder if you would not agree that we should also have a national purpose of equal importance and equal nobility with the promotion of freedom and order to, in the words of our own Constitution, promote the general welfare? In other words, is not advancement of the Christian ethic of loving one's neighbor, the promotion of compassion, a high and noble national purpose, at least as great as that of freedom and order?

Mr. LUCE. Senator, it seems to me that the answer to your statement is a question of what is properly seen as being in the political order. If I may use the concept of categories, there is the political order, the economic order, there is the moral order and there is the spiritual order. I would think that the intellectual problem in political philosophy is to relate these various orders to each other and yet maintain proper and useful distinctions.

Now, as to Christian compassion, obviously you cannot legislate that.

Senator CLARK. No, but we do every day. We did it yesterday in the Health, Education, and Welfare bill.

Mr. LUCE. I could question whether that could properly be called compassion. It may be that there was quite an element of self-serving interest. Perhaps not on the part of the Senators, but on the part of the people for whom it is done.

Senator CLARK. I do not want to get into an argument with you. I have raised the point and you have given your answer.

Mr. LUCE. My answer is that we are concerned with the political order and what is relevant to it. In the political order freedom and justice are the two correlatives which state what the political order is all about.

Senator CLARK. Perhaps we are talking at cross purposes. Would you not agree that in our search for a national purpose, or a series of national purposes, we are not confining ourselves merely to the political order? We are thinking of the whole spectrum of American civilization, are we not?

Mr. LUCE. Senator, I don't want to take up your time.

Senator CLARK. I think this is fascinating and I won't take much time.

Mr. LUCE. It happens this question touches very much on my interpretation of American history, and of the significance of the United States in the whole unfolding drama of human affairs. The great and particular contribution which the United States was intended to make and which we largely have made on this continent was the establishment of a political order, not ideal in any platonic sense, which would be unrealistic, but the establishment of the best political order known to man. That it seems to me is our great contribution to mankind and the thing which we have been working on mainly in this country. Meanwhile, this being a free country, individuals and groups have been working on all kinds of things to their own satisfaction, whether they are the highest aspirations or the lowest. But as a nation, what we have mainly done is to establish this form of government. It seems to me, therefore, that our greatest contribution to the world now, when it becomes a question of the world, is to see whether we can help others first to see that this is the best form of government with its many variations in accordance with local customs and habits, and, second, to help other countries work out their versions of freedom under law.

Now, I would agree with you that as Americans we are coming into another stage, where our concern becomes more and more for what we will call American civilization as distinct from just the American form of government. It becomes more and more the concern, you might say, of the whole of the community. The question of educational standards, the question of standards of life and thought, and not simply living standards. Up to now living standards which can be expressed in material terms have been considered to be the proper subjects of government in seeking the general welfare.

Now, we are concerned with American civilization. I would agree with John Gardner who said we could hardly hope to exert a salutary influence in this world unless American culture or civilization becomes something that we can be proud of. So I would agree that we are in the stage now where not simply as individuals, but more and more as a community we are interested in American civilization, and the development of it in this amazing age. But it still seems to me that the special meaning of the United States in the history of the world is the development of what we call our form of government—of freedom under law.

Senator CLARK. I think this colloquy adequately establishes for the purposes of the subcommittee our differing emphases on these different matters so I would like to turn to another subject, Mr. Luce.

I am a little surprised that you did not mention the subject of disarmament in your statement. I would like to ask you how you think it is possible to advance the rule of law in the world without achieving substantial universal disarmament and the creation of an international police force to enforce world law?

Mr. LUCE. I am glad you brought that up because if I had extended my statement to any other topic it would have been disarmament. First of all, it is an extremely difficult subject. Permit me to call your attention to an article in this month's issue of *Fortune* by Oskar Morgenstern on disarmament which is an extraordinarily good job.

Senator JACKSON. I might interrupt there to say that I think he is one of the most able men that we have in the scholarly community. I have worked with him over a period of years.

Mr. LUCE. I don't know him personally.

Senator JACKSON. He is a brilliant mind. He coauthored "Theory of Games and Economic Behavior" with Dr. John von Neumann. Von Neumann was one of the world's greatest mathematicians. It was a great loss to the free world when he died about 3 years ago.

Dr. Morgenstern is professor of economics at Princeton University.

Mr. LUCE. His article outlines the incredible difficulties of arms control or disarmament. He suggests that arms control would require an enormous, well-equipped organization including thousands of physicists, engineers, chemists, biologists, and astronomers. He could have mentioned some others.

Senator CLARK. We don't have it now in the United States.

Mr. LUCE. Any conception of disarmament in the world must contain the picture of an enormous organization on a worldwide scale.

Senator CLARK. Wouldn't you agree that it is perhaps as important for us to have that kind of enormous organization for peace as it is to have the enormous organization for war?

Mr. LUCE. I would be delighted if it seemed at all practical at any time to take X billion dollars from what we call defense and put it into that. Dr. Morgenstern's overall argument might be summarized like this:

He says there are three interlocking elements. One is mutual deterrence. But the trouble is that you may be mutually equal today and not tomorrow. Then, even with neutral deterrence, you have to have effective armament control which is what I was referring to on a worldwide basis. Then he says you have to have an open world. If you have an open world, I would say we won the cold war.

Senator CLARK. I agree with you, the difficulties are enormous. I suggest, however, that this is the most important national purpose to which we have not been giving adequate attention.

Mr. LUCE. May I suggest to you that if a greater effort were made toward the advancement of the rule of law, we would make a great deal of progress on that more quickly than we can make directly on disarmament. We may get some little breakthrough on disarmament at some time. It does not look that way this morning.

Senator CLARK. My own view is that they have to go together.

Mr. LUCE. If we develop throughout the world, first of all with our friends and neutrals, the habit and custom of law, this would itself begin to set up a kind of framework within which you could put a part of the disarmament effort.

Senator CLARK. Except, wouldn't you agree there has to be some agency to enforce the law?

Mr. LUCE. Yes. I am simply saying that I believe that much greater speed could be developed for development of the rule of law if we put our backs into it, than could be developed by attacking disarmament directly. If you had a development of the rule of law you would then have much better background for proceeding with disarmament.

Senator CLARK. Let me turn to my final question and to your comments about the need for a better level of ability in Government employment. I think we all agree. The problem is how are we going to get it. I wonder if you would not agree that in order to get it we

have to increase both the material and spiritual rewards of public service and decrease the punishments of public service?

Mr. LUCE. Yes, I would.

Senator CLARK. Let us see if we can't work that out.

Mr. LUCE. I am a little surer about the first proposition, increase the rewards, material and spiritual, than I am about the punishment. If the rewards are good enough, it then seems to me in a democratic system the man who goes into public service can be prepared to take a certain degree of punishment, which may not always be justified.

Senator CLARK. I agree with this. I just make this brief observation which you may want to comment on. That public service in elective office is an extremely hazardous occupation. Those of us who are in it will want to dish it out, and therefore we must be prepared to take it. I would suggest that perhaps the young people coming out of our schools and colleges would be more apt to go into public service if they thought there was a better opportunity to make a real contribution to American civilization while at the same time getting enough money to marry a wife and raise and educate some children, and that one aspect of this which you may want to consider is that the status of the public servant in American mores of today is pretty low. This may be, which came first, the chicken or the egg.

Maybe if politicians and public servants were of a higher level we would not have the low approach of the American people to the career. On the other hand, at some time you have to right the vicious circle. Because you don't carry the cartoon in any of your publications, I have always had a little fun thinking of Mr. Lichty and Senator Snort. I enjoy the cartoons very much indeed, but I don't think it tends to make high school graduates seek public service.

Mr. LUCE. I think I agree with all you say and would make this observation. The extraordinary paradox in the United States throughout our history is that, whereas our great mission and accomplishment in the world has been the working out and establishment of a political form of government, there is almost nowhere in the world where the words "politics" and "politicians" have such a low rating. This has always been true.

Senator CLARK. I wonder if it has. The Founding Fathers were leaders in the American community. They were all politicians.

Mr. LUCE. They were. At that time the press had not developed the great degree of responsibility which it now exhibits, but you will recall the Founding Fathers were most brutally attacked in a most irresponsible press.

Senator CLARK. Thank you very much.

Senator JACKSON. Mr. Luce, I have two or three questions before I turn to Mr. Pendleton, the minority counsel.

Just to follow up on what Senator Clark had to say, what do you think can be done to create a greater sense of public service on the part of the students who are coming out of our colleges? In other words, are we getting so much emphasis on prosperity and the material that they want to go to work where they can make the most money? Do we have to get shaken up a bit before people really sense the challenge that we face? Much has been said here this morning in the colloquies, Mr. Luce, about the importance of spreading freedom through constitutional governments. Certainly

the most valuable thing we ever exported was the idea of freedom which stemmed from our own Revolution and spread throughout the world. It was an idealistic thing. Now we are confronted with a competitive ideal. We don't respect it, but many people must admit that communism to many, many millions of people is an ideal, as wrong as it is. How do we bring to bear the idea of freedom, which is the greatest force and has been throughout all history? How do we really tap what I think is the greatest source of idealism in America today that is to be found on the American campus? It is dormant. It is latent. How do you stir it up? Young people really want to do something. You talk with them on the campus and you tell them that we have great problems in the world, great challenges to meet, and then they ask that tough question. They say, "Senator, what can I do to help?"

It is like the question they put to you at a luncheon after talking to some business people. I think this exists in the high schools and colleges. Students are mature. They are thoughtful. Maybe it gets back to what you have been trying to emphasize, the importance of a national purpose. It seems to me it is a mixture of many things. I wondered if you had any particular comments in this more specific area? How do you tap this real source of idealism? We need teachers in Africa. We need doctors in various places. We need engineers. We need technicians. I am sure that some of these people who are attending schools would like to go forth in the world for 3 or 4 years and help and do their stint, much in the tradition of the British in the 19th century. How do you get that missionary zeal? You are a son of a missionary and you were born, I believe, in China, and your parents went forth and did a wonderful job in China. I would just like to have your reaction on this. It is a tough one. I don't profess to know the answer.

Mr. LUCE. Senator, first of all, I would agree with you that my impression is that the young people on the campuses today are, by and large, good people, hard working and interested in making a contribution. As to missionary zeal, I would like to revert to what Senator Clark was saying, and that is to get clearly in focus this question of the political order. After all, the religious missionary is not motivated primarily by the idea of serving the political order. His inspiration comes from a higher source. That does not mean that the political order is not of immense importance.

So it seems to me in regard to what you are especially concerned with, it is not simply zeal in general, of which there may be a great deal, both religious and of other kinds such as the quest for scientific truth, and other worthy directions. The question is to see that this thing which is the United States has to be defended and can only be defended by a successful coping with the environment of the 20th century.

Senator JACKSON. Don't you feel that the real objective of our foreign policy should be to create the kind of world in which we can live in freedom?

Mr. LUCE. That is right.

Senator JACKSON. This in turn, it seems to me, involves a question of community responsibility. What it boils down to is that we are 8 people, to use an illustration, out of 100 in a community—we are 8

percent of the world's population—we are rich and wealthy, compared to the rest of the world. If you are rich and wealthy, living in a community where over half the population is poor, isn't there a responsibility to help other people regardless of what the threat might be?

I want to be specific. I think too many times we say that we are going to help other countries because of the threat of communism. Shouldn't we be willing to help even though the Soviet Union did not exist? Isn't this the kind of idealism and sense of responsibility, a willingness to share some of our material advantage, some of our talent, with other people as you would in any community? The world is getting smaller and smaller. I think we hurt ourselves when we try to pitch this in terms of helping a certain country because the Soviets are about to move in. We are negative in that sense. It seems to me that we should be willing to help even though the Soviet bloc did not exist. If we could convey that impression, wouldn't there be less hesitation about accepting aid from us? It is hard for us to believe that people hate us after we have given help. I think a lot of it in those cases stems from the fact that they feel we are up to something ulterior.

Mr. LUCE. Senator, you have touched on several things here. First of all, about the obligation to help other people. I would say this is something quite new in the political order. I am not aware in the past history of the human race that any one nation or power has felt a moral obligation to help another nation, economically or otherwise.

This is an obligation which the American people through their Government can impose on themselves if they wish. I would hope that there would still be a distinction made as to that which is a community obligation, accepted through due process of our Government, and that which remains an individual obligation from an individual sense of his moral or spiritual obligation. I would like to keep the distinction—the distinction between what we decide to do as a nation, and what is quite permissible for individuals to decide in terms of their own sacrifice or their own pursuit of idealistic ends.

As to the attitude that we show to other nations, here it comes down to a question of diplomacy, of good public relations, or whatever we want to call it. No doubt in many cases our offer to help should be for its own sake. I counter that by saying that we have to bear in mind, in my opinion, that we have a serious enemy to overcome in this world. I do not think that we can spend too much effort trying to hide that from somebody else. If country X has no appreciation of the danger of communism, then there is no use trying to force that appreciation on them. But we must never forget it.

Senator JACKSON. I was saying that there is so much in the way we do it. I certainly agree with you.

Mr. LUCE. In other words, I don't think we should try to con ourselves that we are doing this purely for altruistic reasons. I think we have to be realistic. We have a reason. If I may say one more thing, this obligation to do a great deal in the world would exist if there were no such thing as communism. This is because of where we have arrived technologically and every other way in the 20th century. We cannot maintain our freedom unless you have a suitable environment in the world. So you can rightly say we would still

have this obligation even if there were no communism, and I agree. But the fact that there is communism is the fact which points up the issue.

Senator JACKSON. To give the devil his due, he is speeding up the process of helping and aiding.

Mr. LUCE. I think so.

Senator JACKSON. As a matter of fact, I think he is making us do a lot of things we would not do otherwise.

Mr. LUCE. I agree.

Senator JACKSON. I think he is helping to make us strong. The question is whether he will always be a good ally in that regard.

Mr. Pendleton, minority counsel, would like to ask some questions.

Mr. PENDLETON. Mr. Luce, in your prepared statement, you refer to the economic program. You say: "Economic aid is one obvious tool"—that is, to participate in and win the cold war. Do you have any comments that you want to make about a continuation of the present level of the economic aid program of this country?

Mr. LUCE. I think that it is more important to work on the stimulation of what I call the normal processes of trade and investment, or making what we think ought to be normal, normal. I think there is more mileage in that than in an increase of X dollars of handouts. It may be necessary to increase what is sometimes called handouts. I agree in principle with what Senator Jackson said, that once having determined to do this job, then all our national resources should be put into it. I think we should use our heads and be sensible. So there may be a case at any given time that a hundred million here and there could be used to advantage. But I think there is more mileage to be obtained by work on such things as the Abs proposal or other proposals to really establish a reliable pattern of economic relations between individuals and nations.

Mr. PENDLETON. At the present time there does not seem to be much consideration given to increasing the aid program. As I see it, the big discussion is do you generally maintain it or do you cut? Do you have any comments to make there?

Mr. LUCE. I would say generally maintain.

Mr. PENDLETON. I was pleased to hear your statement in regard to the military defense program in which you said, I believe, that with the exception of civil defense, the program today generally meets the requirements of this country. I was wondering whether you had seen the testimony on this subject of Admiral Radford, the former Chief of Staff.

Mr. LUCE. I think I saw reference to it. I am not sure I have it clearly in mind.

Mr. PENDLETON. It was released this morning by the subcommittee based on an earlier executive session of the committee. Let me read the one point that I think is particularly pertinent here, because, I think with the discussion of the problem of communication media, this would be important.

He says in response to a question by Senator Mundt:

As of today we have the most powerful military force in the world. The only reason that the free world has the peace that it has is because of our military strength today. Our military programs are constantly being reviewed, and I presume that will continue, and that we will maintain a powerful force. I think the Russians respect our military strength.

I felt that would be important for you to hear at this point in reference to your statement.

I have no further questions. Did you wish to comment on that?

Mr. LUCE. If the Congress would see fit in terms of some particular programs to add up to a billion dollars to the next defense appropriation, I would be for it. I would rather be on the safe side. It seems to me that in the next 2 or 3 years we are going through a rather difficult period where we have to maintain very expensive weapons which are becoming obsolete while developing new weapons. In the next 2 or 3 years we have a pretty important hump to get over. So I would be in favor of a billion dollars more rather than a billion dollars less on defense.

Mr. PENDLETON. Yes; if it could be done just by "a billion dollars more or less."

Mr. LUCE. In terms of a particular program. If there is a particular weapon that should have more money spent on it in the judgment of Congress, I would be in favor of that.

Mr. PENDLETON. So the important thing, as you see it, is a continuing review of the programs of research and development to determine which should be expanded and those which can be contracted. On the basis of the continuing review, continue then to plan the military program.

Mr. LUCE. Yes.

Senator JACKSON. Mr. Luce, as the appropriation bill passed the Senate unanimously, that is, the defense appropriation bill, we are about a billion dollars over the President's budget request. You would think this might be a good thing from the standpoint of the danger we face?

Mr. LUCE. Senator, I have to agree with my own editorials. We advocated 2 billion more.

Senator JACKSON. I think you went along on this, too, in the Rockefeller report which called for a step-up.

Mr. LUCE. That figure was three. We are getting into the numbers game here. That report said 3 billion more every year for several years. I thought that might be a little high.

Senator JACKSON. But the point is that you commend the efforts.

Mr. LUCE. Our public statement was that we settled for 2 billion.

Senator JACKSON. You do support the need to invest now so that we will have the weapons systems in the years ahead. Admiral Radford's testimony bore on the fact that as of now we do have that deterrent capability. You know as a businessman you must purchase these things on the basis of putting down the money and then you don't get the product that same day.

Mr. LUCE. Yes. I am afraid, sir, that the Senate with the responsibility for the defense of the country has a more difficult task than the businessman. You have a longer leadtime than most businesses.

Senator JACKSON. That is why we must invest now in order to have it in 1963, 1964, and 1965.

Mr. LUCE. You can't get your money from the insurance company, either.

Senator JACKSON. That is right.

Senator MUSKIE. I have just one more question, Mr. Luce. Returning to this concept of victory as soon as possible in a cold war:

In order to achieve victory in a hot war, it is necessary to destroy or substantially reduce the ability of the enemy to wage war. The suggestion which you discussed in your formal statement and the suggestions that have been discussed in these various colloquies related to what we must do positively to make an impact on the rest of the world. Do you have any suggestions as to what we can do or should do to destroy the ability of the Communist governments to wage the cold war?

Mr. LUCE. You use the word "destroy." That is quite a big job.

Senator MUSKIE. Or substantially reduce.

Mr. LUCE. I think we can continuously make it tougher and tougher for them in many ways. I would like to refer again to the question of civil defense and shelters. If this country were to steel itself to embark on a real civil defense program, whatever the Soviet Union may now think about its capabilities of destroying this country, next year or 3 or 4 years from now, it would have to make a greater effort to get in that position. This is why I am for disarmament. Meanwhile, we are in an arms race. As long as we are in an arms race, there is something to be said for making that arms race very tough.

Senator MUSKIE. This would make it more difficult for them to destroy us. In a hot war we destroy their armies or undertake to. We destroy their line of communication. We destroy their war-making capacity and their industrial complex. This has to do with their ability to wage a hot war. There really is not much we can do to destroy their ability to wage a cold war. The analogy to a military victory is not really apt, except as far as it conveys the idea of victory which we all like. What we are really talking about is making our effort to win a major part of the world to our side a more effective one. Is not that right?

Mr. LUCE. Will you say that again, please?

Senator MUSKIE. What we are talking about is not an exact analogy to victory in war, but to winning a major portion of the world to our side.

Mr. LUCE. Yes. If anybody had an idea for in some respect disarming the Russians in the cold war, that would be good.

Senator MUSKIE. Thank you very much.

Senator JACKSON. Mr. Luce, may I on behalf of the committee express our deep appreciation for giving to us today very generously of your time. We are most grateful to you to have the benefit of your views and counsel and advice. We thank you very much.

Mr. LUCE. Mr. Chairman, may I say what a very special pleasure it has been for me to be for such a period in such distinguished company. I am most grateful for the real pleasure of this dialog.

Senator JACKSON. Thank you, sir.

The committee will meet again on Friday morning at 9:30 a.m., when Gov. Nelson A. Rockefeller will testify. The meeting comes as the result of an invitation the Chair extended to the Governor on April 6. The meeting will be held in room 1202 of the New Senate Office Building at 9:30 on Friday.

(Thereupon at 12:15 p.m., a recess was taken until Friday, July 1, 1960, at 9:30 a.m., in room 1202, New Senate Office Building.)

THE EXECUTIVE OFFICE AND PUBLIC SUPPORT

FRIDAY, JULY 1, 1960

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met in public session at 9:30 a.m., pursuant to recess, in room 1202, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Mundt, Humphrey, Muskie, and Javits.

Present also: Senators Mansfield, Stennis, Bush, Keating, Clark, and Gore.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick, Grenville Garside, Howard E. Haugerud, Brewster C. Denny, professional staff members; and Edmund E. Pendleton, minority counsel.

Senator JACKSON. The committee will come to order.

Almost a year ago, the Senate of the United States unanimously authorized the Subcommittee on National Policy Machinery to make a nonpartisan study of how our Government should best organize to make and carry out national security policy. The subcommittee has endeavored from the outset to make its study scholarly, responsible, and objective. We have sought the counsel of literally hundreds of past and present Government officials concerned with this problem. We have also been aided greatly by the advice of distinguished students of the national policy process.

Our aim throughout has been to tap the wisdom of the finest brains of our country. During the coming months we will make a series of reports containing recommendations for improving our Government's ability to meet the challenge of the cold war. We shall introduce remedial legislation where appropriate and necessary. Our witness this morning is Gov. Nelson A. Rockefeller, of New York. On April 6 I wrote to Governor Rockefeller inviting him to give testimony before our subcommittee. We are indeed pleased that he has been able to find the time in his busy schedule to join with us this morning.

Governor Rockefeller has rendered distinguished service to our Nation under three Presidents. He was Coordinator of Inter-American Affairs and later Assistant Secretary of State for American Republic Affairs under President Roosevelt.

He served under President Truman as Chairman of the International Development Advisory Board. Under President Eisenhower he served as Under Secretary of Health, Education, and Welfare and later as Special Assistant to the President for Foreign Affairs.

Governor Rockefeller speaks to us today with great authority on the problem of government organization. From 1953 to the end of 1958 he served as Chairman of the President's Advisory Committee on Government Organization. In this capacity he recommended some 13 reorganizational plans to the Congress in the interest of more efficient and more effective government. Ten of the plans were approved.

In 1958 Mr. Rockefeller was appointed by Secretary of Defense McElroy as a consultant to the Committee on the Organization of the Department of Defense. As chairman of the special studies project of the Rockefeller Brothers Fund, Governor Rockefeller has been closely associated with the project's reports on our foreign policy and military program.

Our subcommittee has agreed with the President that testimony by any former Government officials who served on the National Security Council or its subordinate bodies regarding the National Security Council and its subordinate machinery will be taken first in executive session. These guidelines have been transmitted to Governor Rockefeller.

When the public meeting is completed, the subcommittee will adjourn into executive session with Governor Rockefeller to take testimony on matters relating specifically to the National Security Council.

Governor, on behalf of my colleagues I would like you to know how grateful we are to have you with us today and how much we are looking forward to your counsel. I believe you have a prepared statement. If it is agreeable with you, I suggest that you now proceed with your formal statement.

STATEMENT OF HON. NELSON A. ROCKEFELLER, GOVERNOR OF THE STATE OF NEW YORK

GOVERNOR ROCKEFELLER. Thank you very much, Senator Jackson, distinguished members of the committee; I deeply appreciate this opportunity to appear before the Subcommittee on National Policy Machinery of the Senate Committee on Government Operations.

This subcommittee is performing an outstanding service to the Nation. The Nation's problems, the world's problems, press upon the policymakers in Washington with ever-increasing urgency and in ever-growing complexity.

In seeking solutions to these problems, there can be no substitute for able men in government—men of vision, of capacity, of courage. But not even the best of men can perform to the fullness of their abilities, nor will men of ability be attracted to government or encouraged to stay in government, if inadequate organization frustrates accomplishment. Thus, in its extensive exploration into the question of improving the organization of government, this subcommittee is addressing itself—importantly, constructively, and with nonpartisan objectivity—to a fundamental need of this Government in dealing with a world of danger, of opportunity, and of fantastically rapid change. That need is to provide the framework within which able men can perform the great deeds demanded by the challenges of our times.

I know from personal experience that no man is more deeply concerned with this question than President Eisenhower. During the 6

years of my chairmanship of the President's Advisory Committee on Government Organization, 14 reorganization plans presented by the President were adopted by the Congress. The President's vision, breadth of concept, and creativity made possible the substantial advances in Government organization achieved in recent years. In addition, they have profoundly influenced the thought behind specific proposals I shall make to this subcommittee today, although, naturally, I alone assume responsibility in recommending these proposals for your consideration.

With recommendations from the President, the Congress at its next session should, as a first order of business, set about adapting the Government's machinery to the needs, the urgencies, the demands for decisive action that the times require. I am confident that the work of this subcommittee will be of great value in accomplishing this.

As a fundamental step to be taken either at this Congress or at the next, I recommend the extension of the Reorganization Act of 1949, which expired last year. This legislation provided the basis for the reorganization plans adopted in the last decade, and, in my opinion, should be renewed.

Governmental reorganization is necessarily a matter of cooperation between the legislative and executive branches. Understandably, it is a matter in which many toes will get stepped on, many vested interests within the Government feel imperiled. The blunt truth is that—despite all past progress—the present structure of the Federal Government is still not geared to support the President in developing and executing integrated policy, thoughtfully and purposefully, either in the complex areas of national security and foreign policy, or in the equally complex area of domestic affairs.

Few realize the tremendous load the President carries in his multiple responsibilities as Chief of State, Chief Executive, Commander-in-Chief of the Armed Forces, the man constitutionally responsible for the conduct of our foreign policy, and leader of his political party. More than 50 departments and agencies of the Government report directly to the President. Their number imposes upon him an almost impossible burden—in the need to resolve conflicting approaches and divergent advice, and, from such sources, select and set a determined course of action.

In an effort to bring order to this array of agencies, a host of interdepartmental and interagency committees has been set up. These have come to number approximately 160 in the field of international affairs alone.

In fact, international affairs involve, one way or another, the activity and responsibility of every department of our Government. There are also some 18 independent agencies, as well as sundry boards and commissions, involved in aspects of international affairs. The field of foreign economic aid alone involves as many as four Government agencies—and six international financial organizations.

This overelaborate pattern of interdepartmental committees has been designed over the years in an earnest effort to meet the legion of complex problems in both foreign and domestic affairs. The simple fact is this: the committees of a democratic government cannot hope to meet or to master these problems by simply trying to outnumber them. The critical need is for a revamped structure of government.

The fact, today, is that the structure of our Government too often moves slowly, even sluggishly, to meet this world of swift-moving change. It tends to be stiff and static—when it should be quick, alert, and creative. There is, therefore, a growing public awareness and concern about the structure of Government and the efficiency of its decisionmaking process. And one great proof of this public concern and interest is the existence and the work of your committee.

With all this in mind, I deeply believe that the time has come when we can look forward to achieving important reforms at the next session of the Congress.

I have no illusions about the complexity of these tasks. In the light of my own experience in Federal Government, and having undertaken, as Governor of New York, that State government's first reorganization in 30 years, I am well aware of the toughness of the problems. Yet, I believe very strongly that both the clear need of the Nation and the quickened concern of the people make this a necessary, and a realistic, time for action.

Let us proceed, then, to the major specific areas of action—both foreign and domestic. For in both these areas the structure of Government demands reorganization to assist the President in wisely formulating and effectively executing national policy. As early as 1955, former President Herbert Hoover recognized this sweeping need by suggesting the creation of two appointed Vice Presidents with specific responsibilities respectively for foreign and domestic affairs. This problem was given active and detailed study by the President's Advisory Committee on Government Organization—while I was chairman of that committee.

I welcome this opportunity to make the following recommendations in these two important fields:

1. Foreign affairs and national security: (a) Creation of the post of First Secretary of Government to assist the President in the exercise of his authority in this whole area.

(b) Further reorganization of the Defense Department to achieve unified doctrine, planning, and command.

2. Domestic affairs: (a) Creation of the post of Executive Assistant to the President, to be head of a newly created Office of Executive Management.

(b) Consolidation, in certain areas, at the departmental and agency level, of functions now scattered among various Government agencies, particularly in such important fields as transportation and water resources.

I. FOREIGN AFFAIRS AND NATIONAL SECURITY

Let us examine how further—and more forceful—support may be given to the President in his constitutional responsibility for the formulation, coordination and conduct of foreign affairs.

THE PROBLEM

The problem is too complex to be soluble by simply adding more authority or more power or more functions to the Department of State. Foreign operations involve the Department of Defense and other major departments and agencies—each with its own special concern, and attitude toward, international problems.

The
tial pol
day bas
of ager
and co
Preside

The
of dive
mittees
Preside
plannin

The
and de
in the
chinery
votes f
and im
among
specific

But
structi
Govern
commo
cumsta
ness—l
tive act
or poss

The
Firs
integra
diplom
psycho
Seco
perspe
compel
tory—

Thir
fective
in all
so tho
to Am
freedo

To
and ou
1. I
ermme
sibility
nation:
(a)
subject

The crux of the problem is to help develop a coordinated Presidential policy and program which can then be administered, on a day-to-day basis, by the existing agencies of Government. The proliferation of agencies and committees in this whole field has tended to increase and complicate—rather than ease and clarify—the burden upon the President in defining and directing policy.

The reason is obvious. The more numerous and varied the sources of divergent advice and advocacy—from departments, agencies, committees and individuals—the less chance or time has been left to the President for reflective, overall, long-range defining of purpose and planning of policy.

The proper role of the committee, in our Government, is a subtle and delicate one. The system of committees, of course, works well in the Congress: it is basic to the legislative process, providing machinery for concession and consensus as well as means for mustering votes for final legislative decision. And committees also have a proper and important place in the executive branch—either by sharing counsel among those empowered to act, or by conducting ad hoc studies on specific problems.

But excessive government by committee can be anything but constructive. In the field of executive action, it can reduce the level of Government action to the least bold or imaginative—to the lowest common denominator among many varying positions. In such circumstances, policy may be determined not for the sake of its rightness—but for the sake of agreement. And then the bold and imaginative action most needed, in these critical times, becomes least probable or possible.

THE OBJECTIVES

The essential objectives are three.

First. In support and furtherance of our national purpose, we must integrate fully, at the Presidential level, the international political, diplomatic, economic and social, military, informational, cultural and psychological aspects of foreign affairs.

Second. We also must relate and integrate these matters—from the perspective of the responsibility of the Presidency—with all of our compelling domestic concerns—economic or social, financial or regulatory—as all these affect our national conduct in the world.

Third. We must provide the governmental structure that can effectively assist the President in developing objectives and policies, in all the area of foreign policy and national security, so clear and so thoughtful that they will give unified and purposeful direction to America's unique role in serving—and enhancing—the future of freedom.

THE RECOMMENDATIONS

To achieve these objectives—vital equally to our national security and our world role—I recommend two broad courses of action.

1. I recommend creation of the post of First Secretary of the Government to assist the President in exercise of his constitutional responsibility and authority in all the area of national security and international affairs. This means in more explicit detail the following:

(a) The First Secretary should be appointed by the President, subject to the confirmation of the Senate.

(b) He should have statutory designation as Executive Chairman of the National Security Council.

(c) He should exercise authority as delegated to him by the President, and subject to withdrawal of such authority by, and at the will of, the President.

(d) He should be empowered at the discretion of the President to act for the President in international matters at the prime ministerial level, with the Secretary of State operating on the level of the ministers of foreign affairs.

(e) He should have a staff of his own and be empowered to use and reorganize all of the interdepartmental planning machinery of the Government in the area of national security and foreign affairs.

While the First Secretary, deriving his authority from the President and acting on his behalf, would have a status above that of the Cabinet, the operating responsibilities of Cabinet officers would not be changed. Thus, the Secretary of State would continue to be in charge of the day-to-day conduct of diplomacy. So, too, the Secretary of Defense would continue to be in the direct line of Presidential command of the Armed Forces.

As Executive Chairman of the National Security Council, the First Secretary could be delegated the authority, by Executive order or by legislation, to appoint the Chairmen of such supporting groups as the Operations Coordinating Board, the Council on Foreign Economic Policy, and the National Advisory Council on International Monetary and Financial Problems.

2. I recommend the reorganization of defense planning and command to achieve, under the President, unified doctrine and unified direction of forces. More specifically this means the following:

(a) The Chairman of the Joint Chiefs of Staff should be designated principal military adviser to the Secretary of Defense and the President, and be responsible for development of overall strategic doctrine.

(b) The staff of the Joint Chiefs should be organized on a unified basis under direct authority of the Chairman.

(c) All officers above the rank of brigadier general or the equivalent should be designated officers of the Armed Forces of the United States—not the individual service of their earlier careers—and their promotion should be placed in the control of the Department of Defense.

(d) Full authority should be given to the Secretary of Defense over all military research, development, and procurement, so that he may assure the most productive utilization of research and development funds.

(e) The budget process of the Defense Department should be revised so that Congress appropriates all funds to the Secretary, thereby fixing in him a focus of fiscal responsibility similar to that held by other departments.

II. DOMESTIC AFFAIRS

The urgencies are as clear and great in the area of domestic affairs as in the areas of foreign affairs and national security. Here, too, the President needs the service and support of a structure of Government more effectively assisting him to define national purpose and

execute national policy, in meeting the swiftness and the complexity of the problems and challenges of our time.

THE PROBLEMS

Such is the nature of this period of history that the problems confronting the Government have seemed to multiply even faster than the agencies created to cope with them. To be specific:

There is the sheer number of departments and agencies reporting to the President—in essentially domestic affairs, no less than 8 departments and some 40 agencies.

There is the ever-widening scope of problems confronted within the Executive Office of the President itself. This Office includes such diverse duties as those of the Bureau of the Budget, the President's Assistant for Personnel Management, the other specialized officials within the White House Office, the Office of Civil and Defense Mobilization, and the Council of Economic Advisers.

There is the constant and ever more difficult task of resolving conflicts between program objectives and budgetary limitations.

There is the ever-increasing volume of legislation pending in the Congress each year, including legislation proposed by the President—all reflecting new problems, freshly and forcefully challenging all departments of government.

And there is the need for thoughtful long-range planning and development of policy—made ever more difficult, and ever more necessary, by problems ever more complex.

THE OBJECTIVE

The President alone simply cannot undertake to meet the volume of problems and functions today demanding his attention, study, and action. To ignore this fact would be to strain the structure of our Government at its very apex—to allow it to be weak where it must be strong.

The essential objective, then, is to give to the President a strong supporting structure within his own Office for policy formulation and concrete decision.

A second objective, is to assure that, at the level of the departments and agencies themselves, there is an organizational structure adapted to meeting the key domestic problems of today.

THE RECOMMENDATIONS

1. I recommend the creation of the post of Executive Assistant to the President and Director of the Office of Executive Management, to assist in planning and management in the sphere of domestic affairs.

There should be created immediately under the President a new Office of Executive Management. Five key functions should be transferred to the new Office of Executive Management, to be carried out by five bureaus created within the new office. Each bureau should be under the direction of a noncareer official appointed by the President. The Director of the new Office would report directly to the President.

Under the plan I propose, these five bureaus and their functions would be:

(a) Bureau of the Budget—functions: Budget formulation and administration.

(b) Bureau of Legislative Clearance and Coordination—functions: The review, clearance, coordination, and development of legislation proposed by the executive branch, and of the administration's position with respect to other legislation pending in Congress.

(c) Bureau of Program and Planning—functions: Development and coordination of recommendations concerning executive branch programs, including participation in long-range studies and planning.

(d) Bureau of Organization and Management—functions: Coordination and improvement of the organization and management functions of the executive branch, including accounting and statistical programs.

(e) Bureau of Personnel Management—functions: Assistance to the President in exercising his leadership in personnel management throughout the executive branch.

The Office of Executive Management, if created along these lines, would serve the President more effectively than the present structures of government in the general management of administrative matters, including budgetary, personnel, planning, and organizational activities. The Office would assume the functions of various units within the Executive Office of the President and would, over a period of time, remove the need for numerous temporary staff arrangements established to meet special problems.

Even with an ideal organizational structure at the White House level, the President's responsibilities with respect to domestic affairs cannot, any more than in the field of national defense, be effectively performed without sound organization at the departmental and agency level. All too often the location of a particular function within a department or agency is more a matter of history than of logic. Thus, in a number of areas improved governmental machinery is essential to sound policy development in meeting the critical and emerging problems of today and tomorrow. In these areas:

2. I recommend the consolidation of functions which are now scattered among various Government departments and agencies, particularly in such important fields as transportation and water resources.

The field of transportation is a good example because of its critical importance to the growth of our economy in time of peace and to the defense of our Nation in time of war.

In spite of general recognition of the importance of transportation, we still do not have today a single focal point within the Federal Government for the formulation of overall national transportation policy, accompanied by broad powers to develop such policy and coordinate the activities of other agencies.

To remedy this, I recommend the creation of a new Department of Transportation, to which would be transferred all governmental transportation functions now located both inside and outside the Commerce Department. These transferred functions would include all the responsibilities of the Federal Aviation Agency, as well as the present promotional and administrative functions of the regulatory agencies: the Interstate Commerce Commission, the Civil Aeronautics Board and the Federal Maritime Board.

Another example—equally clear—is the area of water resources policy, where a dispersion of responsibilities has made the development of a coordinated and coherent Government policy very difficult.

III. CONCLUSION

I have outlined—briefly—a program of some specific measures to assist the President and the executive branch of the Federal Government in meeting the clear responsibilities and compelling challenges before it.

I believe such measures will enable the executive branch, in all areas of national policy, to give direction more firm and unified, and decision more swift and thoughtful.

No citizens are more keenly aware than you, gentlemen, of what is ultimately at stake here. The matters discussed seem technical and mechanical. They rise, in ultimate meaning, far above this level. They are tests—practical tests—of whether free government can work, and can work well. They are tests that come at a time when the processes of freedom—the workings of democracy—stand under fire and under challenge in the world at large. They are tests that we, as a people and as a nation, can and must meet.

Thank you very much, Mr. Chairman.

Senator JACKSON. Governor, I want to commend and compliment you for giving to this committee and the Senate specific recommendations for improvement. I particularly, as chairman, am grateful to you for the constructive suggestions that you have made. We can get a lot of debate and argument on these various points, so I wanted at the outset to commend you for making specific recommendations.

I take it that it is your position generally that reorganizing our Federal structure, especially in the broad field of national security, is critical because of the long-term struggle that we are in.

Governor ROCKEFELLER. That is correct. To meet the current challenges and opportunities, and also, as you say, to be able to sustain the effort of the United States related to long-range plans and objectives in what I feel very strongly is a protracted conflict that exists in the world and will exist for a long time to come.

Senator JACKSON. Would you also say that there is no doubt about the capability of this country, both in human and in material resources to compete effectively on a survivable basis with the potential enemies of this country?

Governor ROCKEFELLER. There is no question in my mind about that.

Senator JACKSON. Is not our real problem whether we are going to marshal those forces so as to get the proper allocation of them to meet the threat?

Governor ROCKEFELLER. I agree completely. I think in order to do that most effectively we have got to have a clear national purpose, clear specific long-range goals, and relate our actions and the events and developments in the world to those, so that we can shape emerging forces to serve our purpose and not allow them to overwhelm us in the form of crises.

Senator JACKSON. Governor, do you feel that we can do more in certain critical areas than we are doing now?

Governor ROCKEFELLER. I feel the kind of structure that I am suggesting would make it possible to mobilize our forces more effectively so that we can accomplish these objectives with greater dispatch and greater clarity.

Senator JACKSON. Do you feel that our economy can carry a greater load in the areas of national security in order to keep ahead of the threat which we face?

Governor ROCKEFELLER. I feel it can. I feel it can do so by one of two methods, the second of which I would prefer. I think it could be by taking a larger percentage of gross national product than presently is taken for this purpose, or by increasing the speed of the rate of growth of our economy so that the present percentage of the gross national product which is stated by Government as 20 percent at all levels, half of which goes to the defense effort, will be in total larger moneywise by acceleration of our growth rate.

Senator JACKSON. As a matter of fact, the percentage of our gross national product that is being used at the present time for national security has been declining, has it not? We are spending less than 10 percent on national security, including defense, atomic energy, and related fields. Our point is that we can increase our present rate of growth to around what, five or six?

Governor ROCKEFELLER. Five or six.

Senator JACKSON. In your judgment, this can be done without any great strain on the economy?

Governor ROCKEFELLER. I think quite the contrary. I think it would remove any strain on the economy because the demand in all segments, civilian, governmental, foreign investment is tremendous. If the growth rate were faster there would be more available to meet the demands in the various areas of our total economy. I think this can be done not by large Government spending or Government controls but by encouraging a more rapid rate of investment in capital plant and equipment.

The present rate is about 16 percent for all investments. Whereas other nations are up as high as 25 or 30 percent, and are getting a much faster growth rate. Japan and Germany are perfect examples.

Of course, the Soviet Union is.

Senator JACKSON. What you are suggesting is that the Federal Government adopt the wise practice of large companies that plan ahead and provide for growth?

Governor ROCKEFELLER. That is correct. I think what you touch on there is very important, that at all levels of government if we are going to have fiscal responsibility we have got to look ahead to see what the new problems, the new needs, the new challenges are and see the steps that we are taking today, what their implications are, their adequacies, their implications, in terms of monetary needs so that we can really intelligently plan ahead.

Senator JACKSON. Do you feel that national security requirements should be determined on the basis of actual need, exercising, of course, wisdom and good judgment and, more basically, commonsense, rather than using some predetermined and arbitrary budget ceiling?

Governor ROCKEFELLER. Yes. I think our national economy has the capacity to meet whatever our needs may be to insure the security of our people and the free world. Obviously, we do not want to see waste, duplication, and overlapping functions, nor do we want to see waste growing out of inadequate strategic doctrine, and lack of clear objectives. Elimination of these impediments is essential in order to get the maximum for the dollar spent in terms of defense capability.

I think whatever is needed this country has the capacity to meet and deal with.

Senator JACKSON. Do you think there is a tendency—and I must say I am directing this not to any one administration but all administrations—to determine in many cases, at least, our national security requirements on the basis of a predetermined budgetary ceiling?

Governor ROCKEFELLER. There is a great deal of pressure, naturally, and rightly, to hold down expenditures, particularly with the three-service structure which we have and the competition for weapons and weapons development and functions between them, with the lack of clarity of the original concept of roles and missions which existed in land, sea, and air, this situation could get out of hand. It is a difficult responsibility for the President and Secretary of Defense to determine what are essential expenditures and there must be constantly a screening to hold down those expenditures, because the requests run way beyond what seems from a total point of view may be necessary.

Senator JACKSON. Yes. But there should be a better way to meet our basic national security requirements than to follow a preset pattern as to what the expenditures should be, do you not agree?

Governor ROCKEFELLER. It is a balance between the two and it is a difficult balance. But I think it can be found.

Senator JACKSON. We have had some recommendations in this area of budget, economic growth, and resources. Some have suggested that there be a fourth annual report from the President—a requirements and resources report. In broad outline, the report would have five main elements. One, it would contain a statement of our overall long-term strategy for national security. Two, it would present our overall long-term requirements for foreign policy, defense, domestic programs affecting our world position, including a statement of program priorities. Three, it would present long-term projections of the resources needed to meet these requirements. I am talking now in budgetary terms beyond a year. Four, it would relate both requirements and needed resources to the Nation's present and future economic capacity, again, projecting growth. And, five, it would contain recommendations for effective action wherever future resources appear inadequate to meet our needs.

Do you think there might be some merit in this, and do you think it ought to be seriously considered?

Governor ROCKEFELLER. I think there is certainly merit in all of the aspects of the plan you just suggested. It is the kind of long-range thinking and planning that needs to be done, providing we do not get frozen into some plan and lose our flexibility. Because with the speed with which scientific inventions and developments are taking place, something may happen in the laboratories now and next week, or next year, which would completely change—I mean the development of new form of power such as atomic energy—completely change all that. Therefore, we have to preserve a flexibility in meeting changed circumstances and conditions.

Senator JACKSON. I would certainly agree with you, Governor. What I had in mind is that there is the problem of leadtime.

Governor ROCKEFELLER. That is right.

Senator JACKSON. In economics as well as industry?

Governor ROCKEFELLER. Yes.

Senator JACKSON. You have to look ahead to make sure that you are marshaling far enough in advance the resources that you need to support what you deem to be the overall defense requirements 2 years, 3 years, 5 years, and 6 years hence. Otherwise, we can certainly run into some deficits. Not just in money but in people and in basic material resources. You would agree in general with that; would you not?

Governor ROCKEFELLER. In general as long as everybody recognizes that we have to be able to make changes of major proportions to be able to meet new circumstances and conditions and not be afraid because we said one thing today, with new circumstances, we ought not to be able to change it tomorrow.

Senator JACKSON. With reference to the First Secretary, do you think that we might not have some problems if you have a strong Secretary of State and a strong Secretary of Defense, if this other chap is kind of up and above all of them?

Governor ROCKEFELLER. It depends entirely on the backing the President gives him. He would not have statutory authorities in his own name because the President has all of these in his. It would only be to the degree that the President delegates to him and backs him up in his decisions and positions. That whole question would be dealt with by the President. If he backs him up there is no problem. If he does not, I think the President ought to bring in the Secretaries of Defense and State when these matters are discussed so there is no loss of continuity and intimate contact here.

Senator JACKSON. One thing that concerns me is the personality problem. If you have a strong Secretary of State and a strong First Secretary, it will take a superstrong President to keep them both strong.

Governor ROCKEFELLER. That is what our country needs.

Senator JACKSON. That is a good reply.

Governor ROCKEFELLER. But he would have control of the organization mechanism of the Security Council, Operations Coordinating Board, of all of these interdepartmental committees related to the international field, and through those he could exercise a very important degree of leadership with these departments and agencies. Because somebody has to make the decisions when there are conflicting points of view.

The President is the only person but he can delegate a share of that responsibility to this First Secretary.

Senator JACKSON. The workability of it would certainly depend on the personalities.

Governor ROCKEFELLER. Personality and the President's backing of him. That really is the key to this thing. Obviously if the man does not have the capacity he is not going to make the right decisions and the President will not be able to back him. But if he has that ability and the President backs him, there should be no problem.

Senator JACKSON. We all agree that the key to any organization is people.

Governor ROCKEFELLER. Yes.

Senator JACKSON. If you just change the chart and you do not get good people, you are not going to solve much. I am sure you agree with that, Governor.

Governor ROCKEFELLER. Yes.

Senator JACKSON. Do you have any suggestion how we can get better people in Government? As soon as we get into a hot war, the brains start rushing to Washington. But I am sure you would agree that we are in a war now, are we not?

Governor ROCKEFELLER. Yes.

Senator JACKSON. It has been called a cold war. It is a long drawn out conflict. Do you not feel there are impediments to getting good people in the conflict of interest statutes and so on?

Governor ROCKEFELLER. I do.

Senator JACKSON. When we are in a hot war some way or another we remove the barriers and the impediments. What do we do now to get good people?

Governor ROCKEFELLER. Having been here during the last war, the frustrations are still there, but the deep sense of national purpose and dedication is so strong that people will come to Washington. They don't know about the frustrations to begin with until they get here. So they come on down with a tremendous sense of patriotism and a good many of them get chewed up and thrown out. There are those who can adapt themselves to the environment. I think we can do a great deal to simplify the environment. With strong leadership at the top and with the President having adequate support both in the international field and the domestic field, I think it would very quickly help in solving the conflicts.

There is nothing wrong with a conflict as long as there is somebody in a position to make a decision between conflicting views. As soon as that is made, everybody can go back and do their job. The difficulty is that they go to these committees and there really is no authority to make that decision because the President cannot get at all of these questions. So they compromise at a low common denominator and the result is that everybody is frustrated and the national objectives are not furthered as they should be.

Senator JACKSON. We have over 900 committees in the Department of Defense alone.

Governor ROCKEFELLER. My figures were more modest.

Senator JACKSON. You were dealing with the interdepartmental committees; this is within the Department of Defense alone. We have a compilation right here of the committees.

Governor ROCKEFELLER. Well, it is frightening.

Senator JACKSON. I have many other questions. But I will turn now to Senator Mundt.

Senator MUNDT. Thank you, Mr. Chairman.

I should like to associate myself, Governor, with the statement of the Chair on the fact that your testimony has directed itself primarily to specific suggestions and specific recommendations. We have had some splendid testimony throughout these hearings but most of it has been in general terms directed to the obvious problem that Government is getting bigger and more complicated and that ways should be found to make it more effective and efficient. You have made a number of specific suggestions and some very helpful ones.

I think I will ask the first question as a followup to the one that the chairman asked because I believe that you responded to his question about conflict of interest.

In an area different from the one he had in mind, or at least different from the one I thought he had in mind——

Senator JACKSON. I want to interrupt by saying that what I had in mind, if the Senator will yield for just a second, is the problem of the various legal impediments, the conflict of interest laws, that have reached the point where a man cannot hardly serve his Government and maintain the normal economic relations that now exist in the American community. We do overcome these impediments in time of war. But when we are in a crisis short of a hot war we are impeded by them.

Senator MUNDT. I was sure that is what the chairman had in mind, because we have been discussing that with other witnesses. It is difficult to get the good man down here in the first place, because of alleged conflicts of interest. Congress asks him, Do you have a share of stock in this corporation or that, or a thousand shares? Is your department likely to do business with this corporation? And he says "yes," and a conflict of interest develops. It gets larger and larger depending upon his holdings. A conflict of interest among people down here, as you rightfully point out, is good. We don't want a monolithic structure and everybody thinking the same. How do you get strong, able, young, vibrant leadership to divest itself of profitable employment and connections and come down here in a cold war?

Governor ROCKEFELLER. If I may say, Senator, on this subject which I sympathize very much with the point of view you are raising here, it seems to me that too much emphasis has been placed on the monetary aspect of conflict of interest, whereas in my opinion the basic conflict, if it is going to exist, is in a person's loyalties. He may divest himself of some stock but if he has been associated with a company for 50 years or 25 years, or 10 years, and all his friends are there, whether he owns the stock or puts it in his children's name, really has to me very little significance. The real question is his integrity and loyalty to his country. I think most Americans when they come to serve their country certainly are not coming down for monetary remuneration because the pay in the Government is not in any sense competitive with private remuneration.

Therefore, I think we have to look to the loyalty and dedication of these people. I think most Americans are. My personal feeling is better take a risk and have a few cases which when they develop a person can be prosecuted and removed than it is to hold off thousands of men and women of great integrity who would like to serve in Government but simply because of their responsibility to their families cannot afford to.

Senator MUNDT. It would probably take some adjustment in our Federal statutes.

Governor ROCKEFELLER. Yes. I think they are too stringent and they do not strike at the heart of the question, which is the person's loyalty to his country which must come ahead of his loyalty to previous associations. I think with most Americans it does, and this is the basis of the effective functioning of a democracy, the loyalty of its citizens to its country and government.

Senator MUNDT. I quite agree. I have often looked with a jaundiced eye on the testimony from individuals, who say, I will transfer this stock to my wife.

Governor ROCKEFELLER. That is right.

Senator MUNDT. It is meaningless. He is either loyal to the overall purpose or he is not. Obviously if he is disloyal even if he transferred it to Aunt Susan he can still give favors.

Governor ROCKEFELLER. The real question is when he takes the oath of office and his loyalty to the Government, does he mean what he is saying? The other is secondary.

Senator MUNDT. Your recommendation concerning the first Secretary, part (b), is most fascinating to me because it runs sort of in conflict with some of the other testimony we have had from other witnesses, who have urged that it is very important that the President himself attend as many meetings of the National Security Council as possible, preferably all of them, so that he gets the benefit of the give and take and the discussion. They argue that it is better for the President to sit there and hear pro and con, the different points of view discussed, than it is to be given a paper which is the digest and summation and the conclusions.

You point out and rightfully, I say, that this is a tremendous demand on his time. You suggest, as I understand it, that this new First Secretary should sit there. You say he should have statutory designation as Executive Chairman of the National Security Council. Do you feel there is merit in the position of those who argue that the President should be there and hear all points of view, or do you feel that is not as meritorious as you are suggesting that he devote his time to other problems and rely on his Executive Secretary to brief him after it is over?

Governor ROCKEFELLER. I would make two comments, Senator: One, this would not preclude the President's attendance, the fact that he had an Executive Director of the Security Council. Two, I would state——

Senator MUNDT. It is a little hard to envision the President sitting there with somebody else being the Chairman.

Governor ROCKEFELLER. I would assume if the President was there he would preside.

Senator JACKSON. I do not want to interrupt here, but President Eisenhower, of course, specifically asked the Chair when the committee was set up that we not discuss anything directly about the National Security Council in open session.

Senator MUNDT. I do not think we are discussing any military secret. We are talking about an organizational program.

Senator JACKSON. I know, but the President asked for the guidelines. The Chair must abide by them. I did not initiate them, but I agreed to them.

Senator MUNDT. Let me ask the question in a purely hypothetical way.

Senator JACKSON. If you want to talk about the summit levels of government, I have no objection.

Senator MUNDT. Assuming that we could devise a constitution or a new republic in Africa and do it in a Utopian manner, would you think it would be well for the President of that Republic to sit and preside at the National Security Council?

Governor ROCKEFELLER. If this African Utopia had a blank board that functioned in connection with its council and this board threshed

out all of the problems and the paper came up, I would think a discussion there would be where the real issues were discussed and that the final approval or disapproval of the paper would not bring out the fundamental questions. Maybe we ought to discuss this in the closed session. I have not read these regulations. I want to stay within them but I am not quite sure where the line is.

Senator MUNDT. Still dealing with an ideal situation and the Utopia in a new country, having nothing to do whatsoever with the situation in Washington—we are setting up a new government in a new country and we want to bring together all the experiences we have had in democracies all over the world——

Senator JACKSON. Call it Ruritania.

Senator MUNDT. Very well. And we decided to have a national security council. And we have a constitutional republic and we have a president charged with a great many responsibilities that the President has in the United States, what I am trying to determine on the basis of your testimony, and I can see a lot of merit in divesting the president of his responsibilities of attending these national security councils, and having it done by a first secretary. On the other hand, I must confess I was intrigued and persuaded by the testimony of many previous witnesses who feel that the president of this African republic should really get the different points of view expressed by his secretary of state and his secretary of defense, and that hearing that give and take, and listening to it, since he has to make the ultimate conclusions, is much more beneficial than being given a paper by somebody who was there and who said this and who said that, and I think it ought to be this way. You cannot do both.

Governor ROCKEFELLER. I would agree that the Ruritanian president ought to attend the meetings but I think he still needs a chief of staff, or whatever you want to call it, in the area who can report to him about all of the previous discussions that led up to the preparation of the paper, who took what positions, and give him an informed background on the situation, so when he does preside that he is doing so with an informed background on what might be a very brief and maybe less profound discussion.

Senator MUNDT. We will now ride on a magic carpet from Africa to the United States and talk about another subject.

In setting up this Department of Transportation, you would bring in rail transportation, I presume, water transportation, air transportation, everything wherever you find it scattered around the Government dealing with the movement of people and freight; is that correct?

Governor ROCKEFELLER. That is correct. There would be one central location. Of course, not the quasi-judicial regulatory functions. The regulatory functions would not be in this department.

Senator MUNDT. Would this new department of government be of Cabinet status?

Governor ROCKEFELLER. Definitely.

Senator MUNDT. At the Cabinet level?

Governor ROCKEFELLER. Definitely.

Senator MUNDT. Would you transfer to the Department of Transportation other matters than the nonregulatory functions of the movement of people and freight?

Governor ROCKEFELLER. Definitely. I think, Senator, that there must be more flexibility with the rapid changes that have taken place

in the means of transportation—with the fact that we are taxing some forms of transportation, we are subsidizing others, they are competing with each other.

I think we find ourselves in a situation where today the national interest in this field has no central focal point. Again coming back to the question of planning, looking into the future, where these different factors can be weighed, and where a Federal policy can be developed. I know that as the Governor of one of the States in this country we have some very difficult problems just in the area of commuter travel in relation to the railroads, where we are trying to deal with it on a State basis, working with the municipalities, and so forth, but where Federal policy and Federal rate control is a major factor over which we have no control, and there is no central point to which we can come in Washington and discuss our problems and work out mutual policy which will be effective in representing the people's best interests.

I think we might find ourselves in a very serious situation in time of war because of the developments that have taken place, particularly in relation to railroads.

Senator MUNDT. That leads to my next question. Would you have the rate structure regulated also by a concentrated unified board so that we can have or would have the rates set respectively by the Interstate Commerce Commission for the railroads and CAB for airplanes. How do you get away from that feature? That is one of the big difficulties.

Governor ROCKEFELLER. It is. Personally, I feel that Congress should make a complete review of these various ratemaking organizations in which they have a tremendous interest, and which have long-standing associations to see whether this consolidation you refer to might not take place. I think this is going to be one of the most difficult problems that we have ever approached because there are tremendous vested interests both in the agencies themselves and in the forms of transportation.

Change is always resisted, although I think change in this case is essential. This to my way of thinking would be one of the most important studies that could be made. It would be controversial but it is essential.

Senator MUNDT. There is a going body of public opinion that there should be this type of approach. But it just occurred to me that simply setting up a department of transportation at Cabinet level without doing something to unify the place at which the rates are set would not accomplish the results we are trying to get.

Governor ROCKEFELLER. I concur completely in your position and only hesitated to enter into a field which really is controversial because it not only is an executive branch question but also importantly relates to the legislative function here. I think what you are suggesting is the ultimate and necessary approach to this problem.

Senator MUNDT. One other question: In order to implement this series of changes that you suggest, and others which probably are needed, and modifications of these which would come from congressional study, do you envision or recommend the creation of a new Hoover Commission, so called, that would sort of be a continuing advisory body. Some of these things you recommend can be done by

Executive action. Others require action by Congress. Somebody sort of has to keep stimulating these changes or they do not occur.

Governor ROCKEFELLER. That I agree with. I think your committee here is tremendously important. There must be a focal point in the legislature. I think the Reorganization Act should be extended because I think it does very importantly facilitate the handling of these problems through Executive recommendation and legislative action. I feel that this Executive Management Department or Office, this Bureau of Organization and Management, which is (d) on my list, that should be their function. Not only studying organization within the departments but they should be continuing for the President a review of organization and changing problems on an overall basis in the Government.

Senator MUNDT. Because you never get this thing mixed like you do on a multiplication table.

Governor ROCKEFELLER. That is right.

Senator MUNDT. It is good on Monday, and Friday afternoon you have to make changes.

Governor ROCKEFELLER. That is right. Changes are always difficult and they always step on people's toes. Somebody has got to see it in sufficient perspective so that they see the needs of the Nation as a whole and have the courage to recommend them and I think your committee is doing a tremendously useful service and a very courageous one for the Nation as a whole.

Senator MUNDT. Thank you. I believe my 10 minutes have been used up.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. Thank you, Mr. Chairman.

Governor, I am sure you would be interested to know that for the purpose of listening to your testimony we had to seek a larger classroom. We are also grateful to you for attracting a larger student body.

Governor ROCKEFELLER. I am honored.

Senator MUSKIE. I must say your testimony is the kind of imaginative statement that I consider very important in this field and very necessary.

We are studying policy machinery because we are interested in the results it produces. In your judgment is our Government now producing decisions which are adequate to our needs?

Governor ROCKEFELLER. I think the mechanism is such that some decisions which should be made never come up to a point where they can be made. In other words, the President is the only one who can make certain decisions. The process is such that they do not come up. They are compromised in committees where I think in many cases the compromise is not the right answer. A decision should be taken by somebody with authority to make it.

So in many cases we are not making decisions which nobody knows about because they are never up for decision. I think in other cases decisions are made where all of the information that is pertinent to that question is not brought to bear on that question. This is a very difficult problem because these things are so completely interrelated, domestic and foreign and all aspects of foreign. Therefore, I think the mechanism suggested here would give an extension to the Presi-

dent's arm, and authority, which would be sufficiently organized to accomplish on a more effective basis what the President tries to accomplish but which the mechanism makes very difficult of accomplishment.

Senator MUSKIE. What you are saying, then, is that our Government is not now producing decisions adequate to our needs, but that the fault lies in the machinery.

Governor ROCKEFELLER. Exactly, and the structure.

Senator MUSKIE. Would you say that it lies wholly in the machinery?

Governor ROCKEFELLER. Human weakness, obviously, all along the line is bound to slow down the decisionmaking process. If somebody makes a recommendation that is not the most penetrating or the wisest on the way up, then the decision when it is made obviously is not going to be as good as it should be. I think considering human weaknesses and considering the machinery, the best job under the circumstances is being done. I think these changes are urgent, though, if we are going to effectively understand the implications of both actions abroad and actions in our own country.

I would like to add a thought here. It seems to me that the President in this decisionmaking process really needs what I would call a position room, if you use the military terms, where visual material can be brought to bear so that you can sit down and discuss a problem and see the facets of that problem in terms of economic, psychological, military, political, and so forth, in different parts of the world that have an important bearing on the decision you are about to make.

This is so complicated that I think there is need just as the military uses a map room or position room or whatever you want to call it, there is need for that in this decisionmaking process in government.

Senator MUSKIE. You seem to be saying, Governor, that the policy ideas generate at the lower echelons of government, and that the machinery should be such as to stimulate the rise of those ideas to the top policymaking level. Would you agree, and I think you do from your statement, that the constitutional powers of the President in the field of foreign policy and defense are such that the Congress can do nothing and should do nothing to dilute those powers?

Governor ROCKEFELLER. I certainly agree with that.

Senator MUSKIE. Thus we cannot and should not undertake to create machinery that the President would not want to use.

Governor ROCKEFELLER. I agree with that.

Senator MUSKIE. As a matter of fact, he can't be forced to use it if he does not wish to use it.

Governor ROCKEFELLER. That is right.

Senator MUSKIE. Do you think that the insufficiency or the inadequacy of the policy decisions which our machinery is producing is causing us to lose the cold war?

Governor ROCKEFELLER. No. I think that conclusion could not fairly be drawn.

Senator MUSKIE. There has been some emphasis on the part of some leading figures within the Government and without the Government on the need for winning the cold war. I don't know whether this emphasis is designed to suggest that some of us want to lose it. I don't know whether the emphasis is designed to suggest a comparison to military victory. Assuming the latter rather than the former, would you think it possible to win the cold war in this sense? Let me make this analogy.

To me winning a military victory means destroying the ability of the enemy to wage a military war. If we are to win a cold war in the same manner, then we must destroy the ability of the enemy to wage a cold war. Would you subscribe to this point of view?

Governor ROCKEFELLER. No. I don't see the situation in exactly the terms that you depict. I feel myself that the struggle really is more a struggle between freedom and the concept of freedom—those who believe in the right of the individual to develop himself to his maximum capacity, and those who believe that the individual is a cog in a machine to be disciplined and dominated in the service of the State—the struggle really is between those two ideological beliefs. To achieve a victory for the concept of freedom and freemen does not mean that it is necessary to destroy those on the other side.

It means that it is necessary to prevail through the force and strength of those who believe in freedom and to ultimately win over those who have this other concept. I think it is not a case of destruction. It is a question more of a conversion through persuasion and the effectiveness of the results and achievements in terms of human values of our system and our basic concepts.

Senator MUSKIE. In this connection, then, Governor, we are competing with the Soviet Union.

Governor ROCKEFELLER. And the Communist concept.

Senator MUSKIE. Relative to the Soviet Union, in your judgment, are we today, in terms of winning this struggle, relatively stronger or weaker than we were 10 years ago?

Governor ROCKEFELLER. We have to take it in various facets. If we take it in the military area, 15 years ago we had a supreme situation of power militarily relative to the Soviets which was far greater than we have today, with their acquiring weapons and the delivery capacity. Their power has risen and relatively, while ours has also risen, it has not risen as much because they have gotten this new capacity.

In the economic field, they have again made tremendous progress. While we have gone forward, relatively they have come forward to a greater degree. In the psychological area, I think they have made great strides in certain areas of the world.

Senator MUSKIE. Relatively they have closed the gap?

Governor ROCKEFELLER. That is correct.

Senator MUSKIE. Economically and militarily. Could our policies have been such as to have avoided this closing of the gap?

Governor ROCKEFELLER. Hindsight is always easier than foresight.

Senator MUSKIE. Looking to the future.

Governor ROCKEFELLER. Looking to the future we are facing as a nation certain very fundamental problems that we have to decide. I think traditionally we have always been ready to move out and undertake any major effort, whether it is military or economic, like the Marshall plan, with a tremendous dedication as a nation in resources, manpower, and so forth, and do a terrific job. Our ultimate objective usually is to come back, to disengage ourselves. The real question, in my opinion, is whether this country is ready to assume a much more permanent and a much more active political role in its associations with free peoples. I think our freedom and our well-being can no longer be preserved, it is obvious, from within our own borders

alone. And the strength and vitality of other free peoples is going to depend on a much more intimate association. I feel we have to examine the possibility of developing confederations of free people, either on a regional basis or Atlantic community basis which give permanent structural relationships. This has not to date been a part of our accepted national policy. I think myself that we are now at a point where we as a people have got to decide whether we are going to permanently associate ourselves with other free peoples in a common effort to preserve and extend the cause of freedom, peace, and justice.

Senator MUSKIE. I think it is a stimulating idea. I noted that you expanded on it in a speech at Binghamton, N.Y., not long ago.

Governor ROCKEFELLER. Thank you, sir.

Senator MUSKIE. I would like to ask you this relative to the nature of the challenge that confronts us with the Soviet Union. It is a matter of simple statistics that the Soviet Union has natural resources at least equivalent to our own and in excess of our own in some respects. It is also rather clear from their achievements in outer space and missile field and science generally that they have developed the know-how to develop these resources. This would seem to suggest, if we add 2 and 2, that it is going to make 4, and eventually and almost inevitably the Soviet Union will match us in their economic and military posture. Would you accept this conclusion?

Governor ROCKEFELLER. I do. The estimate is about 80 years at the present growth rates.

Senator MUSKIE. There is really nothing we can do about it in terms of our policy?

Governor ROCKEFELLER. With that I don't agree.

Senator MUSKIE. This I would be interested to have you expand.

Governor ROCKEFELLER. I think we can, by changing our tax structure, by other methods, encourage a more rapid rate—or encourage a larger percentage—of our gross national product to be invested in plant and equipment, because that is basically one of the major factors in increasing productivity and in modernizing our plant and getting a higher per capita or higher per manpower productivity rate.

I think that is a very important factor both in terms of the standard of living of the people of our country, the rising standard of living, and our capacity to meet social needs at home and foreign policy and military needs internationally. I think we can do that.

Senator JACKSON. If I may interrupt, to be specific I recall being in the House of Representatives at the time we had testimony in the spring of 1950 that the most we could spend on defense was about \$14 billion. It was only a matter of months that we had appropriated over \$60 billion. As a result of steps taken to provide for stepped-up plant capacity in this country, the economy did expand. It is true there was some inflation. We have been carrying a \$40 billion load ever since. Is that not a fact?

Governor ROCKEFELLER. That is correct.

Senator JACKSON. It demonstrates the vitality of this economy of ours to do whatever is demanded of us. The main difficulty seems to be we only make such an effort when there is a hot conflict on.

Governor ROCKEFELLER. What you are saying, it seems to me, Senator, indicates that as a people we have got to have a clearer sense of

national purpose, so that we relate all of these efforts to goals that are larger than our own self-interest or temporary excursions in international commitments. This, I think, is a fundamental and most important problem we face in the future.

Senator JACKSON. This determines whether we will survive. The Communists are counting on the fact that we may only move when there is a direct military threat. They feel that maybe we do not have the staying power to really engage in a long, drawn-out conflict. I think Mao Tse-tung has referred to this in a book on the doctrine of a protracted conflict. Communist theorists feel we do not have the capability for a protracted conflict. Is this not the heart of the challenge to us?

Governor ROCKEFELLER. In a way, yes. But I think the greatest challenge is to the leadership of freedom and the area in which we can operate without all of these encumbrances and an area over which we have important control in the sense of what we do is in the area of our association with other free peoples in achievement of their hopes and aspirations, including our own. To me this is the really big challenge and this is the area which involves commitments and concepts which go beyond the concepts we have had as a Nation in the past.

Senator MUSKIE. I would like to ask one more question in this line. Then I would like to ask some more specific ones relating to actual machinery. On this question of growth, it can go into consumer goods, coal or TV appliances, or go into what people might consider more useful things in terms of our national strength.

In your judgment, can government, and if it can, should government guide our growth in such a way as to help make us strong as well as comfortable?

Governor ROCKEFELLER. I would say encourage it. That would be the word I use. Government can create a climate which will encourage growth by its actions, its policies, particularly in relation to taxes. But I think it also requires on the part of the American people acceptance of the concept that it is to our interest to grow more rapidly because the decisions are made by individuals in this whole complex and effective system of private enterprise.

Senator MUSKIE. People like to make this kind of decision for themselves or will they do it only under the stimulus of strong leadership?

Governor ROCKEFELLER. I think if we have as a national purpose certain clear goals, then the people as individuals will relate those to their action. I think, of course, one of the most stimulating things is the impact of the tax structure on the rate of corporate investment. The depreciation rate is particularly important. If with the speed of modern invention you build a factory and it may be obsolete in 5 years because of new developments and you can only amortize that over a period of 20 or 30 years, you hesitate to make the investment because you don't know whether it will be obsolete before you have finished amortizing the investment. Therefore, accelerated depreciation rates is a very important factor in this. I think there needs to be by the Government a complete review of the tax structure and its impact, not only Federal but State and local on this whole question of the factors leading to economic growth. In our

own State we are trying to do this, to create an atmosphere and climate which will be favorable to growth, which will result in increased job opportunities and better earnings. We have the enthusiasm, interest, and cooperation of both business and labor in this effort. I think the same is true on the national scene.

Senator MUSKIE. You have opened up a line of questioning which I hope we may be able to pursue before the morning is over. At the moment, I would like to touch on one or two questions now relating to policy machinery. I think it is rather interesting that in our mutual security program, security should embrace not only the military and the economic but education and all of the other aspects of national strength.

Whereas in our national security concept at home and our agencies, we confine the concept of security to foreign policy, military and intelligence. In your judgment, thinking of the agencies that are concerned with it, should the concept of security be expanded to include, for example, a concern with the effect of national economic policy and national educational policy and so on, and relate them to security. Should, for example, the unmentionable security council concern itself in shaping national security policy with these domestic concerns?

Governor ROCKEFELLER. In my opinion it does concern itself. The Chairman of the President's Council of Economic Advisors attends these meetings of the summit, and these problems are considered. But I think what is needed is leadership with authority that can effectively make decisions that implement the interest and concern. That to my way of thinking is the most important part of this, that is, somebody who can make the decisions, who has the time, with the President's authority. It is very difficult to delegate that authority and have our system of government function. I don't mean to delegate, I mean to take it from him by statute. I think it can only be delegated by the President himself to people in whom he has confidence. The structure would facilitate that, I think.

Senator MUSKIE. In response to an earlier question of mine, you stated that under some circumstances policy may be determined not for the sake of its rightness but for the sake of agreement.

Governor ROCKEFELLER. That is right.

Senator MUSKIE. It seems to me as the result of hearings we have had here that overorganization tends to lead to this result. That is, these ideas which are generated on the lower echelons of government, as they move up through the chain of command, tend to be compromised by lower policymaking people or advisory people, in order to reduce the amount of attention that the top executive must give to considering alternates. Would you agree with this?

Governor ROCKEFELLER. I think it is the committee structure, really, where you compromise not because one person in his department or agency doesn't want to do it—is fighting for itself—he has to go through a committee before it goes on up. In that committee some other agency or department has a competing view and this would conflict with his interests or objectives or purpose and the thing gets compromised to the lowest common denominator at which they can find agreement. So the thing has already been watered down before it goes up.

Senator MUSKIE. I think specifically of disputes which arise in departments and I am thinking of particularly the Department of Defense.

Governor ROCKEFELLER. The same process would apply.

Senator MUSKIE. As to alternative weapon systems and so on. There seems to be some dispute among our witnesses as to whether these disputes have any opportunity for consideration before the top policymaking agencies of our Government, including the President.

Governor ROCKEFELLER. That is why I feel there should be a single military adviser to the President and Secretary of Defense, and he should have a unified staff so that strategy and weapons technology and research and development can be blended and melded in the interest of the Nation as a whole rather than compromised because of its impact on a particular service.

Senator MUSKIE. Your suggestion for a First Secretary would imply that you suggest a concentration, within the discretion of the President, of considerable decisionmaking power.

Governor ROCKEFELLER. That is right.

Senator MUSKIE. Would you have any fear that this concentration would tend to resolve these differences before they reached the President?

Governor ROCKEFELLER. I would hope that a good many of them would be because he hasn't got the time to make all the decisions which need to be made and can only be made with his authority.

Senator MUSKIE. But the First Secretary would be the final authority as to which policy questions were so important that they ought to go to the President.

Governor ROCKEFELLER. No. I think you would find that any Cabinet officer would always have the right to appeal to the President directly. You could not have a system as we have without that capacity. The President will hear them and he will have his First Secretary there and he will make the decision. He will soon find out whether he agrees with the judgment of the First Secretary in cases. There are bound to be few mistakes. But if the batting average is low the fellow will have to go. If he has a good batting average he will stay. It would have to be the Secretary of State, the Secretary of Defense, Secretary of Treasury, who could go directly to the President and lodge a complaint and then the President has to exercise his judgment and this will soon balance out.

Senator MUSKIE. I would share your hope that they would feel free to do that.

Governor ROCKEFELLER. I think they would. I have worked at all levels of the Federal Government, and as Assistant Secretary and Under Secretary and as Special Assistant to the President in International Affairs and I have seen this process going on in the last 20 years. I think it requires administrative judgment and experience on the part of the President. But it is not an impossible problem at all if he has good people properly structured to whom he gives responsibility and whom he supports but always with the opportunity of someone who is reporting to him to raise a question challenging the issue and he can review it.

Senator MUSKIE. On this line, some of our witnesses have taken the position that the Bureau of the Budget and the Treasury have

overstepped their proper bounds in exercising undue influence on policy. Would you agree to that?

Governor ROCKEFELLER. I think there has been overweighting of the budgetary aspect, the fiscal aspect, as compared to planning, programming, personnel, organization. That is by the nature of the structure. That is why I recommend that this Office of Executive Management be established and the Bureau of the Budget be placed under an Executive Assistant to the President who then can balance out these questions on program planning.

Let us say you are a Cabinet officer and you want to come over and talk about new plans and meeting new problems. If you go solely to the Bureau of the Budget as the only instrument in the White House to which you can present your case, there is a natural aversion to entering into some new program which is going to involve a pretty big commitment over the years. However, if you can discuss that with the man who is above both the Bureau of the Budget and the Planning and Programming Division, you can get a more balanced decision. He can balance these things out as seen from the total national interest. You not only have to do this within a department but between departments. I think this is one of the important and urgent reasons for this kind of a structure on the domestic front for the President.

Senator MUSKIE. Thank you, Governor.

I regret that I have overstepped my time.

Senator JACKSON. Senator Javits.

Senator JAVITS. Governor, we are delighted to have you here. I think the State of New York should be very proud that we have a Governor who is capable of giving us advice upon this policy level both by experience and what he has actually done in our State along the same line. I am very gratified. And I am sure the people of our State would feel the same way.

Now you said on a number of occasions in your testimony that the people or the Government needs to have a clearer sense of national purpose. You referred to national purpose on a number of occasions. Would you like to state your concept of what is our national purpose or what it should be?

Governor ROCKEFELLER. My feeling is that we have through the creation by our Founding Fathers of our Federal structure of government, a Government dedicated to the opportunity of free people to develop and improve their own individual capabilities and capacities. This concept of freedom was not a concept which was limited to those living within the borders of this newly created nation, but it was a universal concept—believing in the worth and dignity of the individual everywhere under a spiritual-religious belief in the brotherhood of man under the fatherhood of God. So it is a universal concept. I think we are now coming to a point in our history as a nation where in a sense we are challenged as were our forefathers when they could not realize those values in the existing political structure.

I think we have to recognize the fact that we cannot within our borders alone preserve and realize to the full extent these values for our people. Therefore, I feel that our purpose today must be to approach the problem of political creation our forefathers did, only now on a much larger basis. As one suggestion, I suggested the con-

sideration of the formation of confederations of free nations into larger units. I think there is promising experience. The economic union of six nations in Europe is a step in this direction.

We have other examples. The whole history of the Organization of American States, the Pan American Union. I think that our purpose must be basically the original purpose of the Founding Fathers which is the value of man, the worth of the individual, his realization of his capacities.

Senator JAVITS. So you would say our national purpose would be to bring to the free world in reality a governmental and political organization embodying the principles of the Declaration of Independence and the first 10 amendments to the Constitution of the United States?

Governor ROCKEFELLER. Yes. Not only bring to the free world but importantly because that is the only means by which we can preserve these values in my opinion for ourselves. So it is not completely altruistic. It is altruistic but realistic in our own self-interest. I think the time has come for us as a nation to view this question as a people realistically and appraise where we are and what we have to do.

Senator JAVITS. We had Henry Luce before us the other day, who is very well known to you and to me and so many of us here, and he said that our national purpose should be winning the cold war. Would you feel that is the same thing you just described?

Governor ROCKEFELLER. Yes. By achieving what I am talking about, in my opinion we would do what he is talking about—which is to win the cold war.

Senator JAVITS. You would prefer your own statement of the national purpose?

Governor ROCKEFELLER. I think it is the positive side of the problem. I think that the American people basically are positive and creative by nature and this is the side which will challenge them and particularly the young people. I think the young people need to feel an identification with a goal, a mission, a purpose in life that is bigger than themselves, bigger than our Nation; that they want to be members of mankind in general, you might say—humanity in general—and it is within the tradition of our whole political and spiritual heritage.

Senator JAVITS. Do you feel that the young people of our country are being adequately inspired with an ideal or a national purpose today?

Governor ROCKEFELLER. I think we have this basic conflict between this idea that each person develops himself and determines his own purpose, which is in a sense our basic concept of freedom, and the idea of trying to develop as a nation these broader goals or this broader purpose.

I don't think they are inconsistent. I think, just listening to the discussion of a lot of these young people, that they are concerned and they are striving to find for themselves as individuals and for us as a Nation and as a people these goals, these objectives. I think it is a very exciting and a very encouraging thing that there is this tremendous concern on the part of the young people.

Senator JAVITS. You think by phrasing it the way you have, in terms of the national purpose, this will inspire them?

Governor ROCKEFELLER. Yes. I think that is correct, although in this country I think we cannot hand down from above some goal and

say, "That is it; take it." This goal has to grow from the members of our society and be based on their awareness of what we are up against and what we face. I think we can have as a sense of national purpose the solution of problems in the field of housing, problems in the field of the care of the aged, problems in the field of education. They are all part of this total picture of how do we make it possible for the individual to develop himself or herself to the maximum degree and to live the fullest possible life.

Senator JAVITS. You made a comparison for Senator Muskie between the economic and strategic capability of the Soviet Union and of the United States. I gathered you went along with him pretty much on the fact that if they had resources in excess of ours over a measurable period of time, considering their rate of progress, both scientifically, educationally, and the building up of their productivity, they could move ahead of us merely by virtue of these resources.

Governor ROCKEFELLER. I didn't make that statement.

Senator JAVITS. I am anxious to have you clarify that. I think it is very important. I think it is also important to put that in the context of your view, which I share very strongly, that the course of the United States must be toward regional action, a regional federation.

Governor ROCKEFELLER. That is right.

Senator JAVITS. Governmental forms very different from any that we have heretofore considered practicable or feasible for this reason. Would you not agree, therefore—and of course you will state the thing in your own way—that taking the combination of resources available to the free world if it would utilize these new forms of supergovernmental organization, it could get way ahead of the Russians without question?

Governor ROCKEFELLER. I think that is exactly the point. We have been traditionally the greatest free trade area in the world. We have had a weight in world trade that no other area had until the six nations of Europe joined together. Now we have another area that is developing in the free trade area, which has an impact and weight in economic importance in the world comparable to ours. This has pointed the way to new possibilities. It is perfectly conceivable that the Atlantic Community as a whole could join in such an area, working gradually toward that goal. We have in the Western Hemisphere worked toward a free trading area with some more firm relationship. By the year 2000 there will be a billion people at the present growth rate in the Western Hemisphere.

There is no area of the world today with a billion people with free trade, with the ability to grow, with the resources which this hemisphere has. It would be a fantastic economic political entity. One can let one's imagination run, and that is only 40 years from now.

Senator JAVITS. Do you advocate, then, because I think it is necessary to be specific in terms of what governmental organizations are needed to meet it, the exploration by our Government of new forms of regional organization, giving greater opportunities for cooperation and the utilization of resources than any we have heretofore undertaken?

Governor ROCKEFELLER. Yes, I do. But this involves long-term commitments on our part in association with other nations. This is, in my opinion, the thing which our people have got to face as a nation and as a people and consider. I think the Soviets really are of-

fering a system for world organization, wherever it is. We have got in our own interest and in the interest of our concepts of the individual to have a structure or structures which will be not only equally compelling but more compelling, because not only will they be able to achieve the economic progress, but the use of that economic progress will be for the individual and his development rather than the domination of the individual.

Senator JAVITS. I would like to ask one or two questions along another line. That is, where the private economic system, which is our great strength, fits into our present strategic effort in the cold war, and whether it is being adequately used, because that, too, just like regional federations, is a potential, in my opinion, we are not beginning to use adequately. Would you address yourself to that for a moment, Governor?

Governor ROCKEFELLER. I would like to, because it is the greatest system that the world has ever known. The individual worker, the individual citizen, has achieved a standard of living and opportunity unknown in history with not only material advancement but spiritual, intellectual, cultural advancement available, as never known anywhere else. I think that this potential here is unlimited. The interesting thing to me is that, in the case of Western Germany since the war, they have moved much more toward our free system of economic life and away from the cartel structure, and so forth, which they had known and used before, and as a result of moving toward greater freedom they have been able to achieve an accelerated rate of growth in the neighborhood of 8 percent a year with a very high investment of gross national product into new plant and equipment, using our system rather than using government controls and government expenditures. I think we have in both Germany and Japan perfect examples of what our system is capable of doing.

I think we have the greatest system in the world, and that we—those of us who are in government, whether Federal, State, or local—have got to now, with new understanding and new perspective, consider our actions in relation to this factor. What do we do to retard or encourage these forces which make for advancement?

Senator JAVITS. Do you think we are using them adequately in terms of the governmental machinery which we have dedicated to the total, as you call it, overall national security and strategic effort?

Governor ROCKEFELLER. I don't like the word "use." I would rather say "encourage." I don't think our system is dedicated to direction by the Government. I think it is a system whereby the Government creates a framework within which these forces can operate with freedom and encouragement. It is the climate that we create, the attitude that we have, that determines the rate of development.

Senator JAVITS. I have just one other question on your First Secretary, which interests me enormously because I think it is a very original and provocative idea. I might say, Governor, that I shall hope to press the matter in this committee and also to sponsor legislation for it because I think it deserves consideration in a very affirmative way by the Congress.

I shall do my utmost to see that it gets it. I want you to know that so you have the feeling that your testimony has not fallen on barren ground. I am sure it has not. I would like to point to the fact that

you say the First Secretary should have a staff of his own and be empowered to use and reorganize all of the departmental planning machinery of the Government in the area of national security and foreign affairs. Then when one turns over to the next page under the heading, "Domestic Affairs," you say the urgencies are as clear and great in the area of domestic affairs as in the area of foreign affairs and national security. Is it your idea that the first secretary shall be confined to the area of national security in foreign affairs as indicated in your section I, "Foreign Affairs and National Security," or that he should also cover domestic affairs as indicated in your section II, "Domestic Affairs."

Governor ROCKEFELLER. I don't mean to have him cover domestic affairs except to be responsible for the reconciliation of differences between our domestic interests and our foreign or international interests. This is one of the areas of conflict that gets compromised in government and that needs to be dealt with and dealt with, in my opinion, more decisively and more rapidly than the committee system allows. Any time there is a problem and conflict, the longer it is left, the more difficulty develops from it; the faster decisions are made that are sound and reflecting the best overall interests of the country, the better off we would be.

Senator JAVITS. So unlike the French system, where you do have now a strong President with a Prime Minister, you would have the first secretary confine himself to the coordination of the national security in foreign affairs with the domestic affairs only as they relate to those.

Governor ROCKEFELLER. I think the executive assistant to the President in charge of this executive management office would be very helpful in working with him because he would be not exactly in a comparable position, because I think there is an entirely different relationship. Our domestic activities enter much more immediately into the economic, political, and social life of our people. I don't think you could superimpose over the departmental decisions in the domestic field the same kind of delegation by the President that you can in the international field.

Senator JAVITS. I wish to repeat, Governor, that I think it is a most provocative suggestion. I will make it my business to see that it is before us in legislation. I hope to have the privilege of offering it.

Senator JACKSON. Thank you very much.

Senator BUSH?

Senator BUSH. Mr. Chairman, I want to thank you for the privilege of being here to hear Governor Rockefeller this morning. I have heard some of the witnesses and read much of the testimony before this committee, and I think the Governor has displayed an astounding grasp of the problems of the organization of our Government. I am amazed at the ease with which he seems to discuss them.

Governor ROCKEFELLER. Thank you.

Senator BUSH. I am a little familiar with their complexity myself. I do not think there is any other witness that we have had that has displayed such a wide understanding of the difficulties and problems of our Government organization. I have one major question I want to ask, but I also wanted to thank the Governor for pointing out what seems to be more lacking today than anything else, the sense of urgency in our country, the lack of understanding of the real dangers that we face.

Governor ROCKEFELLER. Hear, hear.

Senator BUSH. And his characterization of us and our tendency to go from one side of the pole to the other. We rush in after the crisis has broken wide open and then we rush out as we did in 1945 and 1946 and we literally let a great military organization disintegrate before the eyes of the world while the Russians began to build up an organization which is now a threat to the free world.

We should thank their leader for bringing us to our senses. It was a very expensive reminder of the world situation. But perhaps if it had not happened we might not be here today discussing these things in the freedom of this kind of a government.

I also was very much impressed with your statement of how we should go about increasing our rate of growth in this country, and developing more jobs. I think that is an important contribution, not only to the work of this committee, but our other committees, such as the Banking and Currency Committee and the Joint Economic Committee, who have been dealing with that problem.

One more thing before I ask my question. I want to express my gratitude to you and that of many others on the Armed Services Committee for the great contribution which you made toward the adoption of the Reorganization Act of 1958. I was glad to see from your statement that you do not feel, and I agree with you, that we went far enough in that act. I assure you that the recommendations which you specifically make in your statement should have, and as far as I am concerned, will have urgent attention in the next session of Congress. I believe they are urgently needed.

The question I wanted to ask may not be quite in order here, and if you are not prepared to discuss it I will not press it, but I happen to agree with the senior Senator from your State, that the great problem we face today is not the danger of military destruction, because I don't believe that we are in actual danger of that, despite the fact that we must prepare for it, and being prepared for it we can avoid it. The graver danger is one that is not so obvious, which is the economic relationship between our country and other countries in the free world, and indeed, behind the Iron Curtain, too. It is the trade war. It is the cold war on the economic level. What our future economic policy is going to be is a matter of grave importance to this country, and to the whole free world.

We have been trying to reduce our trade barriers and improve our economic relations with countries of the free world, and we have done so to a marked degree. This has created a situation, however, which is now beginning to cause great concern in our country. As we have seen these countries which have been restored to strength greatly improve their productivity, greatly improve their competitive ability with us in world markets, and also to considerably increase their imports into this country. I wonder if you would care to comment on that situation and what you think our policy should be in dealing with that?

Governor ROCKEFELLER. It certainly goes to the heart of both international relations and domestic problems and all of us who are responsible to constituents are finding this competition cutting in on us increasingly and are directly aware of what you are talking about. It is extremely serious and I think more serious than perhaps is fully recognized.

Obviously, these other countries have the same ambitions, their people and governments, for economic growth and higher standards of living. So we cannot question their objectives because we share those objectives and we are trying to work with them for the achievement of those. The question is, How to do it so we all move together on a constructive basis. It seems to me that basically we have to pull closer together among the free nations. I am not talking about trade in the free world area. I will mention the other one in a minute.

The competitive position of this country, which has been paramount in the past because of our industrial development and increased productivity, for the first time now is challenged by nations who have labored with great skill and who are getting a man-hour productivity that is equal to and greater than ours, but are paying lower wages. In the past we have relied on our greater productivity and therefore our ability to pay higher wages and therefore ability to compete.

I think one of the important factors, to come back to this growth rate, is this question of an acceleration of the investment of capital into new plant and equipment. I do not think many people realize that our plant as a total national plant is aging at the rate of three-tenths of 1 percent a year. I think most people think our plant is becoming more modern. It is not. It is aging at the rate of three-tenths of 1 percent a year. In many of these other countries, notably Germany, Japan, and Italy, but particularly those two, their rate of investment in these modern machines and equipment is faster than ours and they are getting their costs down and productivity up. Therefore, we have to think of it in these terms. I think we also have to think very realistically about the question of hours. Since World War II, we have been reducing the number of hours per worker at the rate of 12½ hours a year. Of course, that reduces productivity per man on an annual basis unless there is technological advance to compensate. I think we have to examine as a nation whether the increased leisure time, at the point we have now reached is a goal that is desirable in the face of this competition.

I think one of the reasons, one of the pressures for cutting hours, is because of technological unemployment, because of automation. We had a conference on automation in New York State with business leaders, labor leaders, and Government people, and the consensus there was that the answer to automation is not to fight it because automation gives a worker an opportunity to earn more but to accelerate the job opportunities through increased production. So again we come back to that question of our growth rate in relation to this problem. Again we come back to a conscious awareness of all of these factors and their interrelationships.

There is another question that we have to face realistically, I think, and that is the question of the speed with which we increase our wages in this country. We have increased wages at the average of 5.5 percent a year. Productivity has gone up by not more than 3 percent a year on straight productivity, leaving out population growth. So that the result is you have 2- to 2½-percent inflationary factor because wages have gone up faster than productivity. Therefore, about 40 percent of the increased wages has been lost in inflation. Maybe we better examine this question, too, and consider whether we can afford to increase wages at the rate we have without commensurate increases

in productivity or whether we better consider that in terms of our competitive position in the world. Maybe we better also examine whether enough of the earnings of industry are being ploughed back into new or modernized plant and equipment. I don't come to any conclusion on this thing but these are the factors that are involved.

In addition, it seems to me, I saw somewhere last week in the papers that trade in the six nations of the Economic Union in Europe had gone up 40 percent in the last year, showing that there is a tremendous stimulus and vitality in this association. So you put your finger on something that is the heart of a problem which is going to be social increasingly, political, economic. It affects every one of our communities. I have visited the communities in our State where we have lost business and it is disrupting generations of investment in community life and our churches and various organizations in the community and schools and so forth, and it is a tragedy to see. So we have to consider also this question of its effect and impact on our society, on our life as a nation.

I think all of these things point to this whole question of looking into the future with a clearer sense of purpose and a clearer understanding of the forces and factors at home and abroad that are affected. I am encouraged by the fact that labor, management, citizens, are all interested in facing up to these problems and are ready and open-minded about it, and a lot of the traditional concepts are being dropped. The clichés of the past are being dropped. We are now able to look at these things in terms of the future rather than conditioned positions of the past. I am very sympathetic to what you are saying. I think this is one of the major questions we need to face in our day.

Senator JACKSON. Senator Bush, if I might interrupt at that point—

Governor ROCKEFELLER. I am sorry to talk so long.

Senator JACKSON. Not at all. We ask questions that are not suggestive of one-sentence answers. I hope you will forgive us.

With reference to foreign competition, Governor, if growth is essentially an increase in output per man-hour, if we increase our output per man-hour, won't this help us to face up to the foreign competition problem?

Governor ROCKEFELLER. That is right.

Senator JACKSON. If we build up that factor it will help to meet the foreign competition.

Governor ROCKEFELLER. There is no question about it.

Senator JAVITS. Would the Senator yield?

Senator BUSH. Yes, I will yield to anyone who wishes to develop this subject.

Senator JAVITS. It is a fact, is it not, Governor, that while the internal trade of the European Economic Community went up 40 percent, at the same time our exports to that European Common Market went up 50 percent? I supply that fact.

Governor ROCKEFELLER. This last year our exports increased 50 percent.

Senator JAVITS. Within the last 3 months of this year?

Governor ROCKEFELLER. The rate of the first 3 months.

Senator JAVITS. This was the most extraordinary rise at the same time.

Governor ROCKEFELLER. What you are saying gets back to the interest we have in seeing other areas of the world develop who will then be in a position to demand machinery and equipment to satisfy the production needs of their economies which will be bigger consumers for their own production and for the things which we can produce more cheaply than they can. This whole thing, I think, will benefit greatly from larger economic units, more efficient and more effective economic units, and will permit increased earnings through wages and productivity in this country. I would like to say one thing, Senator, if I may, about the Soviet trade.

There was a lot of enthusiasm when Mr. Khrushchev was here and some of his ambassadors came ahead of him about increased trade with the Soviet bloc. I think we don't want to forget what the Nazis did in the use of the asking mark and the penetration of free countries with a very cleverly controlled trade program where they dominated the commerce. I think the Soviet, if theirs is an increase in trade, while they only represent 3 percent today of the total free world trade, it is entirely controlled by their Foreign Office, and they can penetrate and dominate the markets of specific nations and through that gain political and other advantages. I think that they should, if we are going to trade with them, adhere to the basic principles of the GATT organization, and that we should insist on that prior to our enthusiasm for expanding trade with them.

So that they cannot use this for additional political penetration and psychological domination.

Senator BUSH. Mr. Chairman, I have no further questions.

Senator JACKSON. Senator Keating.

Senator KEATING. Mr. Chairman, I want to express my appreciation to you for being invited here this morning to hear our distinguished Governor. I have heard him before. He is always good.

Governor ROCKEFELLER. You are a good friend.

Senator KEATING. I think you made a great contribution here this morning, Governor.

I will presume on the time of the committee just in two respects. I am very much interested in your suggestion about a first secretary. Your concept of that, am I correct, is sort of an Assistant President to make decisions in some cases and in certain areas final decisions, unless they are overturned by the President?

Governor ROCKEFELLER. I think it would be safer to refer to him as an assistant to the President rather than Assistant President. I think we have to be very careful that there is no differentiation or subtraction of the President's powers.

Senator KEATING. I agree with that. The first secretary concept is certainly preferable in my mind to the one suggested by former President Hoover as a Vice President in charge of domestic affairs, and a Vice President in charge of foreign affairs. I do like the word "first secretary." It is his functions that I am interested in. Your idea is that he would have the power to resolve a conflict between the heads of various Government departments.

Governor ROCKEFELLER. Yes.

Senator KEATING. That would be a final decision unless one of the Government departments desired to appeal his decision to the President.

Governor ROCKEFELLER. Yes. I would not limit this concept of the first secretary to one of being simply an arbitrator between departments. I think there is a very important need for the encouragement of centralized thinking, planning, and strategy, which involves all of these factors. There is no spot for that today in a staff that can be used and lead by some one who has this kind of delegated authority. I think he could play a very important role on the positive side as well as an arbitrator and decisionmaker in the event of disputes.

Senator KEATING. One objective or result of it would be, I believe, in your thinking that the President himself would have more time to think.

Governor ROCKEFELLER. That is correct. He would have more basic information that was not compromised and watered down to use in connection with his thinking.

Senator KEATING. Let me turn for a moment to your very interesting suggestion about the reorganization of the armed services. We all know of the waste and duplication and the conflict which has taken place between various armed services. It is historical. We have always had it. I suppose to a degree we always have it. A certain amount of those interservice rivalries, I think, serve a useful purpose. It keeps them on their toes and being a source of new ideas. They certainly at times have gone far beyond what is in the national interest in endeavoring to promote the interests of their own individual services. Your suggestion is that above the rank of brigadier general, they be officers of the armed services.

Governor ROCKEFELLER. Yes.

Senator KEATING. I have an interest in asking you how you happen to hit on the rank of brigadier general in that remark.

Governor ROCKEFELLER. We have this system now of unified commands which have in them either geographic or strategic commands, components, or elements of the various services. The top ranking leaders of those commands, it seems to me, should represent the Defense Department, because the responsibility for those commands, the executive agent, is no longer the Secretary of the service, it is the Secretary of Defense, staffed by the Joint Chiefs. I think it should be the Chairman of the Joint Chiefs. It seems to me that the men who lead those commands should all be from that central authority and above that rank of one-star general you find the officers who will be leading that. Their allegiance and their responsibility should be to the Defense Department as a whole and not looking back to individual services.

In my opinion, it should be the ambition of every officer to find his promotions coming up into the armed services as a whole. That will importantly affect his orientation and thinking because the emphasis on the parochial point of view which is an important factor, and actually so, in promotion, loyalty to the service, the ability to represent that loyalty effectively, is an important factor in promotion within the service. So in a sense it is emphasizing as one of the elements of promotion a factor which is divisive in the structure rather than one that is unified. I think that this scheme would work out very well and we would then have one uniform for men above that rank and they would be serving the Defense Department as a whole.

Senator KEATING. Under your concept instead of the Joint Chiefs of Staff—would you still retain the Joint Chiefs of Staff?

Governor ROCKEFELLER. Yes. The Chiefs of the individual services who would be the members of the Joint Chiefs would be more advisory. Then they would have the actual responsibility for advising the President and Secretary of Defense. They are part-time men who are busy carrying a tremendous load, even though their deputies have been given great authority. They still have the responsibility for developing the service for which they are responsible. They also are developing strategy and strategic doctrine for our national defense in terms of their own service.

So you have four strategic doctrines being developed separately and then compromised into a whole at the top level. I think that we cannot afford any more not to have a single doctrine, because the weapons today cut across all of the services and are moving so fast that if you don't have the development of a staff that is unified, not looking to its own service for approval of every move, that can think about the latest scientific development, the use of these weapons and total strategy and doctrine, I think it is going to be very difficult to keep abreast of the pace of events in the military field.

Senator KEATING. Would the other members of the Chiefs of Staff, other than the Chairman, be men who had come up through a particular service, even though they were then, as you put it, wearing the uniform of the armed services generally?

Governor ROCKEFELLER. Yes. They would have come up through the ranks.

Senator KEATING. Their experience would have been in the land, sea, or air forces originally.

Governor ROCKEFELLER. Exactly. They would have had to have service in one of the unified commands so that they would have a background of the joint effort. They are responsible under the Chairman of the Joint Chiefs on behalf of the Secretary for developing the orders and commands to unified command.

Senator KEATING. But the decision would be made by the Chairman.

Governor ROCKEFELLER. That is right.

Senator KEATING. After consultation.

Governor ROCKEFELLER. And he would have a unified staff.

Senator KEATING. You would not have the amalgamated views of all of them. The Chairman would be the man deciding.

Governor ROCKEFELLER. You would need these, how many hundred committees that were referred to, because this would simply be one of the major problems. I know there is always reference to the man on the white horse and the German General Staff, but the Secretary of Defense is responsible for the unified commands and the Joint Chiefs now, and the Chairman of the Joint Chiefs under this system would be his staff in giving direction. But we would preserve the civilian control through the Secretary of Defense as distinct previously from the Secretaries of the three services.

Senator KEATING. I will desist for the moment, and I want to thank the Governor for his testimony.

Governor ROCKEFELLER. Thank you, sir.

Senator JACKSON. Senator Clark.

Senator CLARK. Mr. Chairman, let me thank you again for your courtesy in inviting me, not a member of this subcommittee, to come here and permitting me the courtesy of asking questions.

Governor, it seems to me that you have made a magnificent contribution to helping us overcome the really frightening political lag which I think you know impedes action down here so often. I think I agree with almost everything you said, which is normally not so for a northern Democrat. There are specific questions I would like to ask you in terms of organization, but preliminarily I wonder if you would not agree that for the foreseeable future, in view of our commitments abroad and our domestic requirements, that we are going to have to have a good deal more rather than less revenue at the Federal level for the foreseeable future?

Governor ROCKEFELLER. I think the requirements at the State and local level are growing far more rapidly than at the Federal level. In the last 10 years there has been a virtual doubling of expenditures at the local level. That is the area of the most rapid growth today. What is it, about two-thirds of the money spent by local governments, and I don't think it will be very long before they will pass the Federal Government in total expenditure. I don't deny what you say that there will be a need for increases at the Federal level. The question is whether we get that by increased taxes or whether it is derived from a more rapid growth rate within the existing tax structure which will provide the next increases.

Senator CLARK. I rather would duck that, because we can be here all day on that. I agree with you that the needs of local and State government have resulted in an enormous increase in their needs for revenue, and that this will continue. I don't want to pursue this point any further except to suggest that we are going to have to take more out of the private sector of the economy and put it into the public sector of the economy if we are going to meet our national requirements. This seems to me to be entirely consistent with your thought of a revision of a Federal tax structure in the interest of encouraging growth. But I still suggest to you, and I take it you do agree, that we can't meet our domestic needs in terms of education, housing and transportation and water pollution, or our foreign commitments in terms of defense and mutual security unless we get more money at the Federal level.

Governor ROCKEFELLER. If we had a 6-percent growth rate for the next 10 years instead of a 4-percent growth rate, under the present tax structure we would have a 50-percent increase in revenues for all levels of government in the next 10 years.

Senator CLARK. This I appreciate, and this I hope for.

Governor ROCKEFELLER. Then you have to figure whether within that framework we haven't got enough money. Take New York State. In order to restore the fiscal integrity of the State when I took office a year and a half ago, I had to, in addition to making as many economies as was possible, which we did, to ask for an increase in taxes, which was voted.

However, the economic growth of the State during that period has produced increased revenues of almost the same magnitude as that resulting from tax increases. So there is a perfect example of what we are talking about. Half of the increase came from increased taxes, and the other half came from the growth. I think if we can incur growth we can maintain stable taxes.

Senator CLARK. I am not asking you to commit yourself for higher taxes because I, too, am an elected public official, and I don't want to commit myself either.

Governor ROCKEFELLER. I am already committed. That is my trouble.

Senator CLARK. I think you do agree that we have to get more money in the Federal Treasury in the foreseeable future in one way or another.

Governor ROCKEFELLER. I go along with that.

Senator CLARK. Turning specifically to the reorganization plan which you have been so helpful in presenting, I wonder where you would fit in the structure the planning and the negotiating of disarmament agreements in conjunction with the rest of the free world and with the Communist world, and whether you don't think that function has to be upgraded.

Governor ROCKEFELLER. I do. I think it should be under the First Secretary, at the highest level in the Government, and that it should be undertaken on a continuing basis, integrating all of the important areas of government concerned—military, diplomatic, and so forth. I think it should be also integrated with the thinking of our NATO allies, so that we as a group present a common point of view of a very positive character in this field of the Soviets.

Senator CLARK. Would you not agree that we need not only more but better brains directed to this aspect of our international policy, since if we could achieve some meaningful disarmament this would have a very real and beneficial effect on the climate in which we live?

Governor ROCKEFELLER. I don't know whether the caliber of brains needs to be improved. There are some very bright people working on this. I think we need a continuity of sustained effort in this field and drawing on a much wider range of experiences and knowledge in and out of Government to achieve the plans we are talking about.

Senator CLARK. You have not mentioned your thinking with respect to the relationship of our whole security structure at the executive level to the United Nations and whether you think it is enough just to say, of course we are for the United Nations. Would you not feel that the time is almost ripe for us to take the lead in a rather comprehensive revision of the Charter of the United Nations?

Governor ROCKEFELLER. I think there are many areas where revision would be extremely useful. What the possibilities are of achieving revision in the light of the basic conflict that exists between the Communist world and the free world, having sat through the United Nations Conference in San Francisco in 1945 and knowing as a member of the staff the problems which were then up and the basic differences and the advantages that exist in the present structure to certain interests of the Communist world, I think it is going to be very difficult to achieve. I think there is every reason to want to try to achieve it.

Senator CLARK. This next question is not loaded. It really is not.

Governor ROCKEFELLER. That means it must be.

Senator CLARK. No, it is not. We can consider it in Ruritania.

Governor ROCKEFELLER. All right.

Senator CLARK. Don't you think we ought to make a better utilization in our organizational structure of the office of Vice President,

an elected public official, who I don't think could be relegated to merely presiding over the Senate or not, as Senator Muskie says, there is a very shadowy ground where he performs. I wonder if you have given any thought in your reorganizational suggestions as to what could be done with the Vice President? I said again this is not a loaded question.

Senator JACKSON. This is the vice presidency in Ruritania.

Senator CLARK. Let the Governor take it any way he wants it.

Governor ROCKEFELLER. I will take it here. I won't take the job, but I will take it here. This is one of the reasons I wouldn't take it. We studied this question at great length, as to how the Vice President could, in the executive branch of the Government, play an active role. But all of the experts in the field interpret the Constitution as written to bar anybody who has a position in the legislative branch of Government which he does as presiding officer of the Senate, from holding any office, policy, administrative or operational, in the executive branch of the Government. So you have a constitutional problem. If you want to sponsor a constitutional amendment, then maybe we could get a change in that structure.

Senator CLARK. Don't you think, though, constitutionally the President could delegate temporarily, subject to taking back, a number of important functions to the Vice President, just as he could delegate them to an appointed officer in the executive branch?

Governor ROCKEFELLER. That was not the conclusion that we came to in studying this question. It was impossible, because some of the subjects we have been talking about for the First Secretary, for instance, which Mr. Hoover suggested, be handled by an appointed Vice President.

Senator CLARK. He was to be appointed.

Governor ROCKEFELLER. That is right. We studied very carefully if it could be handled by an elected Vice President and the consensus was that it not only could not be constitutionally, but would raise all kinds of questions administratively within the executive branch of the Government. It is not like a State where the Governor goes out of the State, the Lieutenant Governor is Acting Governor. When the President goes out of the country, the Vice President is not Acting President. He has no more authority than before.

Senator JACKSON. The Vice President is an important member of the National Security Council under the National Security Act of 1947.

Governor ROCKEFELLER. He is a member.

Senator JACKSON. Yes. What other duties might be acceptable for the Vice Presidency?

Senator CLARK. I guess this is not going to be a profitable field for further development.

Governor ROCKEFELLER. I think it is very desirable. I think what you are saying is very desirable. My comments are completely empirical on the subject that this was the opinion of the best constitutional lawyers, that it could not be achieved. To attend and participate in discussions is one thing. But to have responsibility, either policywise or administrative, that constitutionally is not considered to be possible.

Senator JACKSON. But he can participate in an advisory capacity. At least he can under the statute. He does have today by statute a responsibility that far transcends his constitutional duty.

Governor ROCKEFELLER. That is correct.

Senator JACKSON. As a matter of fact, these other duties take up 90 to 95 percent of his time under certain situations.

Governor ROCKEFELLER. What we have been talking about here is not an advisory function. We are talking about a delegated authority from the President to make policy and operating decisions in the Government.

Senator CLARK. I was not thinking of that so much as I was that he could delegate to him an awful lot of the quasi-ceremonial duty which is taking the President all around the world in the interest of goodwill. He could delegate to him certain diplomatic negotiations if he saw fit and generally utilize the Vice President as an arm of the Executive to a much greater extent than presently. I think this has been done during the last 7½ years quite substantially, would you not agree?

Governor ROCKEFELLER. Yes, I do. You will find if you study the inner workings of the executive branch that it is one thing to undertake ceremonial functions, but it is another thing to undertake diplomatic negotiations where there are others who have responsibility for those negotiations. It does lead to trouble and difficulties and confusion.

Senator CLARK. Let me turn to an entirely different subject, Governor. You have advocated a Department of Transportation. I have been very much concerned as a former mayor how we were going to handle these expanding problems of metropolitan areas. It was my experience that there are three areas which a metropolitan area should concern itself with very much: Transportation which has to do with traffic, roads, highways. Housing, which has to do with the whole field of urban redevelopment and rebuilding of our metropolitan areas. And water, which is essential to the life of a metropolitan community. What bothers me now is that these three matters are handled in so many different governmental agencies, and they are to such a wide extent neglected by the States, that the cities and metropolitan areas are in a very bad position with respect to getting their needs properly planned and carried out.

For that reason I have advocated what may appear to be a rather primitive solution which is to have a Federal Government interest in metropolitan urban affairs. I have naturally because of my background given that a higher priority than the Department of Transportation. Could you give us your observation on this pretty serious problem?

Governor ROCKEFELLER. I must say my thinking moves along the same line as yours does on this subject. We have established in New York at the State level an office of local government, which is what you are talking about, to do this very thing, to pull together the problems and develop a legislative program which created a framework for local home rule which permits local communities to contract with each other, to join together in studies and plans and so forth. I think there is a lot of merit.

I think a similar approach on the Federal level might be very useful. I think the Federal Government could pass laws, the Congress, which would permit our States to work together in solving these problems in a way that would be very useful—if we had a right to join together and a greater freedom in joining.

Senator CLARK. One trouble which you don't face in New York but certainly we do in Pennsylvania and other States, is that the State is relatively indifferent to the problems of the city and metropolitan government, particularly in the legislative area. I have rather despaired of getting States back into the ball game, so to speak. I know you made great progress in New York, but I suspect your experience there is atypical. Would you comment on that?

Governor ROCKEFELLER. From what I found when I took over, this is true. This in a sense is a new area, and I think what you did in Philadelphia was outstanding, and there it was a case of a city taking the lead. In New York the State has taken that lead. At my request an Office of Transportation was created by the legislature. We lifted the tax burden from the railroads to the tune of almost \$15 million and set up a means by which the Port of New York Authority could buy commuter equipment and lease it to railroads. We set up a new water resource structure. So our thinking is very much the same as yours. These are the problems. That is why I mentioned transportation and water today, because I think your question of housing is a very important one, particularly for us, in the middle income housing field. We set up a finance corporation with authority to sell a half billion dollars worth of bonds, tax exempt, with a semi-State guarantee so that we get low interest rates and buy bonds of labor cooperatives and other middle income limited housing projects.

Senator CLARK. At the Federal level that is known as the Javits-Clark bill.

One final subject, Governor, and I shall be through. This is the general field of personnel which you commented on in your statement. As I see it, there are two aspects of it. The first is the planning aspect. I have been concerned, and I wonder if you are, about the whole problem of the effective utilization of manpower, not only in government, but throughout the country, and that this ties in almost inevitably with the problems of education at all levels. At the workers' level because of automation. At the higher educational level because of the need for more brains in almost every field of our national activity. Again this has to do, in a way, with economic planning. I wonder if you have any thought to the possibility of either one, expanding the function of the Council of Economic Advisers, so that they would have manpower planning powers, and some oversight in terms of education to meet manpower and economic needs, or in the alternative, the creation of one or more additional councils of Presidential advisers to cover the field of manpower planning and education planning?

Governor ROCKEFELLER. I think that is a very interesting suggestion. In my suggestion today I have gone as far as the Bureau of Personnel Management, but I am frank to say it was limited to management of personnel policy in government. The work that you have been talking about has been done on an ad hoc basis importantly in government. On the State level we have been trying to meet the

problem primarily by adequate education at the secondary educational level and now a doubling of the facilities of our college and university capacity of the State which we have done in the last 7 years in New York.

Senator CLARK. Maybe I can get this out of you. Would you agree that this is a subject that Congress could profitably explore?

Governor ROCKEFELLER. I would certainly go that far.

Senator CLARK. Finally, I am an enthusiastic supporter of your plan for an executive management agency within the White House, one of whose subordinates would be able to deal with personnel management functions. I think we agree that the personnel management function is essentially an executive responsibility.

Governor ROCKEFELLER. That is right.

Senator CLARK. Would you not agree that this would involve a restating of the powers of the Civil Service Commission and perhaps a restriction of its field so that it was entirely a quasi-judicial office passing on grievances of employees and protecting the merit system against inroads of the spoils system, leaving the positive functions of personnel management to be dealt with in this executive group within the White House which you mentioned, and that would include recruitment, promotion, and all the normal functions of personnel management which are the part, in a private corporation, of the President's responsibility?

Governor ROCKEFELLER. I am not sure that it needs to be a restatement of the service functions and responsibilities. I think most important is a recapture by the executive branch from the Civil Service Department those functions which are today primarily the responsibility of the Executive.

Senator CLARK. I agree with you. I will ask you to take a look at the Clark bill.

Mr. Chairman, thank you very much.

Senator JACKSON. Senator Stennis, we are very delighted to have you this morning. You have spent a lot of time, in this field, particularly on the defense reorganization. I am delighted you could come over.

Senator STENNIS. Mr. Chairman, I am delighted to be here. In fact, I was so impressed with the Governor's statement, even though I had to leave to fulfill a promise to the Appropriations Committee, I came back, not to ask questions, but to listen.

Governor Rockefeller, I certainly am impressed with your very fine statement. It so clearly states the problems, the objectives, and then makes hard firm recommendations, a great deal of it based on experience, and I think very practical.

I will content myself, Mr. Chairman, to directing the Governor's attention to one part of your prepared statement, as I have it, Governor Rockefeller. It is with reference to the military. That is where I do part of my work and have heard testimony for a number of years. You say that the Chairman of the Joint Chiefs of Staff should be designated principal military adviser to the Secretary of Defense and President, and be responsible for the development of overall strategic doctrine; that the staff of the Joint Chiefs should be organized, and so forth, on a unified basis. Your point is where my question would start. You propose that all officers above the rank

of brigadier general or equivalent should be designated as "Officers of the Armed Forces of the United States" and that their promotion should be placed in the control of the Department of Defense.

In the first place, you realize what a far-reaching recommendation that is that you are making. Do you mean to say that all officers above the rank of brigadier general or its equivalent and not just those that are on the staff or belong to the Joint Chiefs? Are you referring to all officers across the board?

Governor ROCKEFELLER. That is correct, sir.

Senator STENNIS. May I ask your primary reason for reaching this conclusion? After they reach this general officer rank, from then on up they are selected by the Department of Defense. What is your reason?

Governor ROCKEFELLER. I think the primary reason perhaps is that we no longer have any exclusive service commands. The commands are now all unified commands either on geographic or functional bases. Virtually all of them are composed of all elements from all of the services. So that the commanders of those are not responsible to the Secretary of the Service of which he happens to be a member, but responsible to the Secretary of Defense through the Joint Chiefs of Staff. So you have a situation where the command function is now exercised by the Department of Defense as against the three services. Therefore, I think that it is logical to have your commanding officers also receive their promotions from the people to whom they are reporting. I think it would help very much overcome the natural and very logical tendency of men in the service to try to do everything possible to promote the morale of that service and its attainment of more assignments, more weapons, more responsibility, which is a natural thing. At a certain point if they shift over to the Department of Defense as a whole, their orientation will be different and their basis of promotion will be different.

Senator STENNIS. It would release them of certain encumbrances and certain special obligations that they have to their own services.

Governor ROCKEFELLER. Yes.

Senator STENNIS. Who in the Department of Defense would be qualified to make those promotions?

Governor ROCKEFELLER. The Chief of Staff, or I mean the Chairman of the Joint Chiefs would be the man through whom the recommendation would be made to the Secretary of Defense and then go to the President.

Senator STENNIS. In that respect he would have to act through a special staff.

Governor ROCKEFELLER. That is true.

Senator STENNIS. Equivalent in a way to the old Selection Board. I think you have a very practical suggestion there. You mentioned the unified command. Is that not a step, a reluctant step, but nevertheless a necessary one, in the direction of your proposal?

Governor ROCKEFELLER. Which is already taking place, the unified command. The unified operational commands in the structure in the Joint Chiefs, they now have a structure which relates on a functional basis to this operation.

Senator STENNIS. I certainly can largely subscribe to that recommendation. I think it is forced on us by the times and the changes

and the men and officers now filling those responsibilities who are doing a remarkable job under the system, but the system itself handicaps them. Is that your idea?

Governor ROCKEFELLER. That is correct. I was interested in this, Senator. This subject was discussed at considerable length during the reorganization discussion in 1957 and 1958. There was far less opposition to this than I expected there would be. In fact, in various areas, there were military men who thought this had real merit.

Senator STENNIS. I find some that way, too. I believe it certainly is well to emphasize it.

May I read your point (d) :

Full authority should be given to the Secretary of Defense over all military research, development, and procurement, so that he may assure the most productive utilization of research and development funds.

Do you use "procurement" there in the broadest sense to include all procurement or just procurement connected with this research and development?

Governor ROCKEFELLER. It is limited here to procurement in connection with research and development. However, I think that in (e), the budget is in the name of the Secretary of Defense. As in other departments, you then would have the complete control and allocation of these functions so they could be moved back and forth.

Senator STENNIS. I was going to come to that. If you did not mean procurement in the broader sense in section (d), you certainly included it in (e).

Governor ROCKEFELLER. That is right.

Senator STENNIS. As one who has gone over this military budget for several years now, I feel if we had a different system and one in the direction you recommend that perhaps 10 percent of the \$40 billion bill we passed yesterday in the Senate could actually be saved through a better system, if it included procurement and personnel. Perhaps that could be increased up to as high as 15 percent. I am not saying it could be done overnight. The change itself would take time.

Governor ROCKEFELLER. I am very interested in your point of view on that, Senator. It is very encouraging. I think also it would permit the development of a budget along lines of the unified commands so that it would be easier for you gentlemen and for the Secretary to see where the funds were going and for what purposes. Today the various components of those unified commands have their budgets made up in their services and it is pretty hard to tell just where that money is being allocated and for what command.

Senator STENNIS. I think that is one of the weakest points in our Defense setup now. These men carrying the responsibility of a unified command do not have any control and frequently have little consultation in setting up their own budget. I have known this year where large sums of money were taken away from that command after having been once allotted and appropriated, without consultation with the general that was responsible for the unified command. It might have been a wise decision to have made that change, but the whole idea of doing it without consulting with the unified commander was shocking to me, and it shows the weakness of our system, without individuals being at fault. I think you have made a very fine contribution on this point. I hope you will keep trying.

GOVERNOR ROCKEFELLER. Thank you very much, Senator.

Senator STENNIS. Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Senator Stennis.

I wonder, Governor, if I might not ask first a question of clarification. In referring to the 50 percent increase in Government revenues in the next decade if we step up the rate of growth 6 percent, I assume you were talking in terms of constant prices.

GOVERNOR ROCKEFELLER. That is correct, and a 20 percent take of the gross national product. Absolutely, those are at constant prices.

Senator JACKSON. I wanted to clarify that because this very increase could be absorbed by higher prices, as we all understand. I have been very much interested in what you had to say about the first secretary. I believe Mr. Eisenhower has spoken, too, of the importance of at least seriously considering this. Do you have the impression that he feels that it might be helpful? Maybe you would not want to comment on that. I am not asking you.

GOVERNOR ROCKEFELLER. Beyond saying "Yes, I do," I would not want to elaborate. I do think he does.

Senator JACKSON. You, of course, had an opportunity while serving at the White House level as an Assistant to the President to acquire knowledge of the problems that are inherent in the Office of the President under present conditions.

GOVERNOR ROCKEFELLER. And as Chairman of his Committee on Government Organization I worked with him on this problem.

Senator JACKSON. Yes. I just wanted to get that in proper context.

In connection with the general themes that you developed this morning, what in your judgment is the responsibility of our political parties for creating a popular basis for progress toward the goals that we all share?

GOVERNOR ROCKEFELLER. I think our political system is so designed that leadership and public understanding and continuity of concern, plus public discussion, and leadership of public discussion, importantly evolves as a responsibility of the parties.

Senator JACKSON. You feel, I take it, that these matters should be thoroughly discussed and debated in a highly responsible way.

GOVERNOR ROCKEFELLER. I do. I don't see how our democracy is going to function, with the increasing complexity of the problems with which we are faced, unless we do discuss these problems and try to reduce them and interpret them in terms that the public can understand and relate to their own lives and their own hopes and ambitions.

Senator JACKSON. You feel that the problems of national security certainly are not immune from debate as long as the debate on the part of both major political parties is a responsible one.

GOVERNOR ROCKEFELLER. I do. I think that while the public feels, and many of us are faced with problems of tremendous complexity, they are not insoluble. These problems can be managed providing we can bring to bear all of the factors that are related to their solution and see them in proper perspective, and then have the power and the authority in the hands of competent individuals who make decisions and they can be worked out.

Senator JACKSON. I have previously asked other witnesses—Mr. Lovett discussed this point and Mr. Gates mentioned it, too—do you not feel it advisable that as far as the officers at the top level of the Government who are dealing with national security—and I ask this

not in any partisan sense, because this is a question that has arisen under all administrations—they should refrain from active political participation such as political rallies, fund-raising dinners, and things of that sort?

Governor ROCKEFELLER. Yes, I know the problem you are referring to.

Senator JACKSON. Not to create a situation where they cannot answer attacks that are made on an administration, but what I am saying, do you think it is wise for high officials in the national security field to participate actively in political rallies, fund-raising affairs, and such? This is not to say that they should not have the opportunity to answer attacks.

Governor ROCKEFELLER. To be perfectly honest, I don't see any objection to officials in an administration who happen to be associated with the military or diplomatic or some other function attending political rallies relating to their party, providing what they say is discreet and does not violate any security positions. I don't see that their presence in and of itself is a violation of any ethical or security measure.

Senator JACKSON. I want to say that Mr. Lovett and Mr. Gates disagree with you on that.

Governor ROCKEFELLER. Secretary Gates?

Senator JACKSON. Yes. Maybe I did not state it clearly. I think what is really involved—there is no question about attending such a function—is making a political speech. I am referring to partisan speeches. I am trying to differentiate between people at the Cabinet level who naturally deal with the domestic political problems and those primarily in the national security area.

Governor ROCKEFELLER. Our system is that when an administration is elected, they appoint people who represent the thinking and attitude of the party that was elected and the people whom they represent. Therefore, that is true in the military and security fields. They may select somebody from the opposite party for those functions. I don't see in the very fact of attendance anything that is wrong. I think if they use their position to make statements that could be used for political purposes, that would be far more objectionable than the actual attendance at a political meeting.

Senator JACKSON. I think you have clarified it. I was referring to the making of partisan political speeches.

Governor ROCKEFELLER. That I agree completely on.

Senator JACKSON. We see eye to eye. We have clarified that point.

I want to ask one general question. Do you think we as a government and a people are doing enough to meet the challenge we face as a Nation, and I refer to that part of the challenge that is military, economic, and political. If you think we are not measuring up to the challenge, how would you sort of summarize, if we might at this point, what we should do about it now?

Governor ROCKEFELLER. I feel as we look into the future, and as we see the rate of increase in Soviet capacity from the military point of view, and particularly in two fields—one, the question of retaliation which is our basic military strategy, and the vulnerability which exists in our retaliatory forces today in view of the development of missiles—that there is a need for an acceleration for the interim

period of a percentage of our SAC forces that are airborne and for the runway capacity that permits more accelerated takeoff of the remainder of forces. The acceleration of the hardening of our bases. The acceleration of the protection of our military and civilian personnel against the danger of fallout in the event of attack, all of which will act as a deterrent to both blackmail and ultimate attack, I feel. I feel in the long term we should accelerate—which will not take effect immediately—the production of existing families of missiles and that we ought to accelerate the production of new missiles, which are in the works but are not operational and will not be for some time. Because of the importance today not primarily of our forces in being and their devastating power but what will those forces be after a hypothetical strike by the enemy and our then retaliatory power which is today the important factor.

Senator JACKSON. You are emphasizing, then, the need for making our retaliatory forces survivable.

Governor ROCKEFELLER. Yes, and the strike afterward—

Senator JACKSON. That is what I meant. In other words, it is what we have after they have hit us first that counts. Then, I would add to that, as we get into a future position where there is a balance of the survivable forces on both sides, the question of limited war becomes increasingly important and we have to strengthen and increase the mobility of our forces for limited warfare.

One final question: You feel that our economy can afford an increased rate of growth over and above what we are doing now?

Governor ROCKEFELLER. I think our economy can afford whatever is necessary for our survival.

Senator JACKSON. You stated it well.

Mr. Pendleton, the minority counsel.

Mr. PENDLETON. Governor, earlier witnesses before this committee indicated that under the present system the service Chiefs of Staff may go directly to the Secretary of Defense or to the President if they wish to appeal or discuss a problem. Would your recommendation here on the organization of the Joint Chiefs of Staff change that feature?

Governor ROCKEFELLER. Yes. As the principal military advisers, they would not be in a position to go. But in view of the fact that he is responsible for the administration of those departments, that is, the Secretary of Defense is responsible for the services under his direction, I would assume that there would be no difficulty for the Secretary of one of the services, with or without his Chief of Staff, or the Chief of Staff with or without the Secretary, of seeing the Secretary of Defense to discuss a problem.

Mr. PENDLETON. In discussing the question of growth of gross national product, you estimated that it would be approximately 80 years before the productivity of the United States and the U.S.S.R. became comparable.

Governor ROCKEFELLER. I do.

Mr. PENDLETON. In a speech to the Economic Club of New York last November, you raised some question as to whether the U.S.S.R. could sustain the rate of growth of productivity which would be necessary to accomplish that matching in that period of time. Could you elaborate on your point and the questions that were in your mind when you made that point?

Governor ROCKEFELLER. Yes, I could. With the higher standard of living in the Soviet Union which has been achieved, I think there will be an increasing demand for consumer goods on the part of their public, and therefore I think it will be increasingly difficult for them to divert as large a percentage of gross national product to both the military and the capital investments which they now are making. So I think the pressures internally will be great to put more gross national product into consumer goods than they are now doing, or a larger percentage. I also think they are going to have difficulty in getting the manpower necessary because of the lack of success of their agricultural program in increasing at a sufficiently rapid rate the individual farmer's productivity, and therefore the need to keep a very high percentage of their population compared to ourselves on the land. It is that kind of problem.

Mr. PENDLETON. Thank you very much, Governor.

Senator JACKSON. Do you have any further questions, Senator Muskie?

Senator MUSKIE. No, thank you, Mr. Chairman.

Senator JACKSON. Governor Rockefeller, on behalf of the entire committee, we want again to thank you for a very constructive presentation of a most difficult, if not the most difficult problem we face, namely, the mobilization and organization of our free society to meet the long-term challenge. I personally want to commend you for the constructive spirit you have injected into the discussion this morning. You have been here over 3 hours. We have a few minutes more in executive session, but we will have a recess. Again we thank you very, very much for this wonderful contribution you have made.

Governor ROCKEFELLER. I appreciate the opportunity of appearing before you, gentlemen, and I would like to express as a citizen my appreciation of what you are doing in an all important area.

Senator JACKSON. Thank you.

Governor ROCKEFELLER. Thank you very much.

(Thereupon at 12:40 p.m., the committee proceeded to executive session.)

Governor ROCKEFELLER. Good. So they will delete anything they want.

Senator JACKSON. Whatever involves security. You will have an opportunity to take anything out you may wish.

Governor ROCKEFELLER. I appreciate it.

Senator JACKSON. We have allowed this with all witnesses. We want to avoid getting into anything of a substantive nature as it went on in the NSC.

Governor ROCKEFELLER. Then I was chairman of a planning coordination group which was established when I came to the White House. The purpose of this was to try to develop a more imaginative, creative approach to the carrying out of NSC policy.

The Operations Coordinating Board is a coordination of operations, just as it says.

Senator JACKSON. It is set up to follow through on NSC decisions.

Governor ROCKEFELLER. Yes. They felt, this was prior to my arrival, and I think it was the director of the Bureau of the Budget who happened to be a sponsor of this, that there was a need for a more imaginative pursuit of these objectives as stated in NSC papers than developed by the departments, particularly from the psychological point of view. Therefore, this body was set up with representation from State, Defense, and CIA. It had certain secret assignments but it also had this broad assignment. However, this was bitterly resented by State, because they felt it was an invasion of their authority and responsibility and the result was the lack of cooperation from that area made it impossible of effective functioning after about 6 or 8 months. You could just go against a wall of opposition so far and then it is useless. So I recommended the abandonment of the operation. But it was an evidence of the fact that there was a feeling that there was need for more creative and imaginative thinking.

I think this is the kind of thing that this First Secretary could put into this. I made some recommendations about the Operations Coordinating Board which were carried out subsequently, namely, that the President's representative be chairman and not the Under Secretary of State; that it have a staff of its own and not a borrowed staff from the departments which was rotated, and that it be given authority other than advisory. It is advisory now. That was not carried out.

Going back to your question, I would say it has two phases. One is the structural question and the other is the substantive question. Structurally the Planning Board is so constituted that it is like these other committees we were discussing. A major question is presented to the Planning Board and the various parties at interest, namely, the departments, each with its own role in relation to the area under discussion, work pretty carefully with highly skilled representatives to get language into the position paper which while it does not violate the objective, protects their own position and their own special—I don't say interest—responsibility in this field.

So you get a watered down version before it comes to the NSC and language which permits considerably more freedom than would appear on a superficial reading of the document.

Senator JACKSON. There is a tendency to compromise?

Governor ROCKEFELLER. To compromise and also to get permissive language which is not too obvious in the phraseology. This is quite an art, this business.

Senator JACKSON. You feel, I take it, that what should occur is that these matters should be presented to the NSC from the Planning Board with sharp alternatives, so that you can encourage debate and discussion.

Governor ROCKEFELLER. Yes. If you have a man who is of the stature and has the staff to support him of the kind that I was suggesting, and who has the responsibility for this mechanism and these other mechanisms, he, then, can, through that staff, prevent the development of a paper that is so watered down by simply taking more of a responsibility in the development of the paper, or as you suggest, Senator, presenting alternatives. If he presents those alternatives rather than a department, they are going to carry more weight. So when the President comes into the meeting, and this paper is there, he will have been briefed by the First Secretary and will know the background, and also the alternatives and the strength of the paper, in my opinion, will be lifted very importantly, because he can make some decisions in the process of developing this material which today nobody has the authority to make.

Senator JACKSON. What you are saying, at least as I interpret it, is that the NSC should not encourage debate for debate's sake, but, where there are some critical problems, the various points of view should be presented so that the President can exercise his constitutional responsibility and make the decision. I gather you feel that there is a tendency sometimes in this whole departmental process to save the President work, which certainly is helpful where problems are not highly important and where they really should not be passed on to the President. But there is a vital area, namely, the area relating to national security which is a constitutional responsibility of the President, and problems in this area should be presented to him in such a way that he can see the clearcut alternatives and then make the decision.

Governor ROCKEFELLER. Exactly.

Senator JACKSON. You share that philosophy?

Governor ROCKEFELLER. I feel very strongly that way. I think the public does not recognize the degree to which the Planning Board really does 95 percent of the work, and it is not very often that a paper is changed by the Security Council. So the real work is done in the Planning Board on these position papers and very few items are taken up without a paper and very few papers are substantially changed.

Senator JACKSON. Did you get the general impression when you were there that the tendency was to reach agreement and compromise in the Planning Board so all the departmental interests would be taken care of, rather than to develop papers with sharp alternatives, so there would be an encouragement of debate and discussion, and so on?

Governor ROCKEFELLER. I think that almost is the necessity under the structure which they have and under the system which they have.

Senator JACKSON. You feel that the thing that generates this result in part at least is the way the Planning Board is set up?

Governor ROCKEFELLER. Yes, because there is nobody with authority to make a decision when there are differences of opinion. Therefore, to get a paper, it can only be by compromise. I think there needs to be a strong Presidential leadership at that level, which is the Planning Board level.

Senator JACKSON. We have had quite a bit of testimony suggesting that the Secretary of State should be in a position of primacy in this area, the orchestra leader dealing with all of the elements that go into national security. What do you think of that suggestion as an alternative to your concept of the First Secretary?

Governor ROCKEFELLER. We discussed that and explored that very fully, because that is almost the obvious solution as distinct from this other one.

Senator JACKSON. The point is that someone must bring all these elements in the national security area together.

Governor ROCKEFELLER. That is right.

Senator JACKSON. It is a question of whether the Secretary of State leads, or the First Secretary.

Governor ROCKEFELLER. If you could go back to the original concept of Secretary of State, when that office was set up, where he had the national seal and so forth, he was in a sense in this position. However, if you now elevate him to a position of super-Cabinet responsibility, which this involves, because he has to be able to make decisions between Departments, you then have a Cabinet officer with a constitutional responsibility delegated by the Congress in his function, arbitrating in a dispute between himself and another department. So he is sitting over himself in a sense, making decisions. It is a pretty tough thing to have the party at interest in a discussion finally say, "All right, I decide I am right," rather than a third party representing the President directly who is not responsible for these immediate operations, on behalf of the President exercising that. That is one of the reasons.

Another reason is that if this man is elevated—that is the Secretary of State—to the concept that we are talking here, then it would put such an additional load on him that he would not be able to negotiate with his counterparts, the Ministers of Foreign Affairs, and would be largely precluded from going to those conferences, and then you would have to have somebody, either a Deputy Secretary of State—and I think the Ministers of Foreign Affairs of other countries would feel they were being slighted if the Secretary of State himself did not come. So you run into a very serious time factor on this.

We had thought of setting up a Department of Foreign Affairs in the Department of State. You could organize the Department of State with a Department of Foreign Affairs, a Department of Economic Affairs and a Department of Informational Affairs. But it would be very hard to establish the authority and prestige of that Department internationally, because the Secretary of State is the man they want to see and talk to. We felt it was easier in the long run from both of these points of view to create a new office which in a sense goes back to some of the original concepts that this Nation had in establishing the Secretary of State as against a Secretary of Foreign Affairs.

Senator JACKSON. I gather that the thing that runs through your mind is that if the job in the national security field is to be properly coordinated, the one who is doing it must in fact be above other Cabinet officials because he will be calling on them and in a sense directing them to do certain things that are essential and necessary to bring about this overall policy on national security involving, as it does, military, economic, political, and psychological factors and so on.

Governor ROCKEFELLER. Exactly right.

Senator JACKSON. So you would either be calling the Secretary of State the super-Secretary and make it so in fact and in law, or you would actually create a new position. You feel there is no avoiding the elevation of this official who must coordinate this job.

Governor ROCKEFELLER. That is right.

Senator JACKSON. I think you made a very clear analysis.

Governor ROCKEFELLER. The administrative responsibilities are so great in the State Department already that to add all of these others seems almost insuperable. You have to delegate. At some point the fellow has to be above the administrative responsibility, which this man would be.

Senator JACKSON. One thing that troubles me about your proposal is whether you would be able to get a good strong Secretary of State and Secretary of Defense if you have this singular super-Secretary position right in the White House.

Governor ROCKEFELLER. In my opinion it would facilitate the function of both the other two posts. I have been Assistant Secretary of State and had a great deal of contact with the military department through OCB and through the reorganizations and so forth. As a matter of fact, at one time I agreed to become Deputy Secretary of Defense. So I am pretty familiar with their problems. I think this man would give them someone with whom they could discuss their problems and with whom they could sit down, who is more available than the President is, so that they could get these things straightened out at the Presidential level without having to go to the President on a basis which is impossible from his point of view, timewise. I don't think it would downgrade them. They might think prestigewise at first, but their functions and responsibilities are so tremendous they don't need additional prestige. What they need is decisions and time and authority to carry them out. This man could give it to them.

I know this is also true in the domestic field. For instance, as Under Secretary of Health, Education, and Welfare, when Mrs. Hobby was Secretary, we would come on the questions of policy of Federal aid to education and these important problems. We wanted to sit down and talk with somebody in the White House as to what national policy was on this. There was not anybody there who was responsible for that except the Bureau of the Budget. Of course, their enthusiasm is less than complete for any program which was going to involve more money.

There is very important need for Cabinet officers and their deputies to have somebody to whom they can go in the White House to get policy guidance and who will participate with them in the planning and thinking for the future in other than money terms.

Senator MUSKIE. Really this is a super-Cabinet that you are thinking about.

Governor ROCKEFELLER. President Hoover was perfectly right in the two suggestions be made, except it raises so many sort of taboos there because of the concept of the Vice President being an elected official.

Senator JACKSON. You get into constitutional problems.

Governor ROCKEFELLER. Yes. I don't think you can put somebody in the domestic scene who has authority over a Cabinet officer because these things are too hot in terms of domestic political life. I don't mean partisan political but whether it was water or economics and so forth. There could be a man who could serve the President in this area far more effectively than he is now serviced, even though he has I don't know how many dozen special assistants in these different areas.

Senator JACKSON. To get back to the question I asked, I had the impression in World War II that Mr. Hopkins' role caused some friction with Hull.

Governor ROCKEFELLER. No question.

Senator JACKSON. During the latter years of Mr. Hull's occupancy of the position of Secretary of State I had the impression that he was quite unhappy about Mr. Hopkins' role. This leads me to the question whether an Acheson or a Dulles would accept a First Secretary over them.

Governor ROCKEFELLER. I talked about this position to Secretary Dulles on various occasions. In fact, I worked with him on the development of this concept. He was completely for this. He visualized himself in that position.

Senator JACKSON. You made the answer very easy.

Governor ROCKEFELLER. That is right. I don't think you have to worry as long as the position is there before the people take the other posts. The only difficulty would be this superimposition over existing personalities. I think it is so needed and so recognized by all that there would not be real difficulty. This will facilitate the work of everybody.

Senator JACKSON. I want to go back a moment to the Planning Board and the process of developing papers. Unless the principals discuss the paper in depth in the NSC and discuss alternative courses of action, will they really understand what the policy is?

Governor ROCKEFELLER. That is fair.

Senator JACKSON. In other words, by getting the kind of situation developed where you have hard alternatives, and you have the debate and discussion, isn't this the way you really come up with a final Presidential decision where everyone will understand fully the policy. But when you attempt to compromise and meld it in with everything it is something of everything and no one really knows what it really means. They all interpret it individually from their own parochial point of view.

Governor ROCKEFELLER. I think that is a very fair statement. But in order to have a really intelligent discussion on the kind of question which comes before the National Security Council, in my opinion there has got to be some additional material available. I feel, as I mentioned in the open discussion, the need for what I call a position room. So when you are going to discuss problems in Africa relating to these new nations becoming independent, I would like to see these Security

Council meetings held in a position room and on the walls would be the pertinent economic factors, a map showing which countries are being discussed, which country has come out from colonial status to independence when, what their economic problems are, what the political structures are. I think you have to have certain background information for many of the members of the Council who are not familiar with these questions. They need to have really a factual briefing by the briefing officer of the pertinent information so that they can bring that to bear on the subject of discussion in the paper.

Senator JACKSON. As a matter of fact, the way it works out practically, the statutory participants in the NSC are heavily burdened with their own operating responsibilities.

Governor ROCKEFELLER. That is right. They don't have time to brief themselves. General Marshall used this system a great deal. I thought he did a superb job in understanding the collateral factors which related to the decision in question and having that factual information available and interpreted before the decision was made, and visual presentations I think are very useful.

Senator JACKSON. Senator Muskie.

Senator MUSKIE. I have just a couple of questions. I don't know how many times I have said that and then found a whole string of questions following.

With respect to the Planning Board, did you find in your experience that there was a tendency for disagreements within a department to be smothered?

Governor ROCKEFELLER. Yes, before they got there.

Senator MUSKIE. Before they got to this position that you are speaking of.

Governor ROCKEFELLER. There is no question. That is natural. Again if the First Secretary and his staff are functioning properly, and he controls the mechanism of these various interdepartmental agencies related to the National Security Council, he would be aware of that kind of situation, and would see that it got the opportunity of reflection.

Senator MUSKIE. With respect to OCB, it strikes me that this agency ought to perform three functions: One, that of liaison in the process of implementing policy; secondly, to review the effectiveness of the implementation; thirdly, to judge the effectiveness of the implementation.

In this connection the OCB should have the power or authority to bring to the attention of the NSC and the President the failure to implement adequately. Would you agree with that?

Governor ROCKEFELLER. I agree completely with what you are saying. I saw that first hand for a period of a year. There is no question about the wisdom of it. I think the structure as it exists of these committees—I was just looking to get my paper on the number of those—this review work which you are referring to is done by these committees which are largely chaired by members of the State Department. It is very hard for someone, no matter how honest and empirical he tries to be, to review the work of his own department and to say that it has been a partial failure or an utter failure, and to call it to the attention of the Security Council. There are 36 OCB working groups, and these are the groups which are reviewing these

programs and appraising them. They are almost exclusively chaired by State Department personnel. I think this is one of the weaknesses. I don't blame State for wanting to have their own people as chairmen of these committees, because they are a very delicate area. But it does make it difficult—not criticizing individuals, it is just natural. I worked very hard trying to get reviews that were independent and to get them back to the NSC. But in so doing I ran into feeling on the part of State that here I was interfering and they would go to the President and complain. That man is causing trouble. He is just raising havoc with an orderly effective procedure.

I think you put your finger right on the thing. We have to get fast appraisals, honest appraisals, and have the courage to admit something is not working, the policy was not right, the program was not right, and revise it.

This goes back to your first question, Senator Jackson, and that is as to the amount of material that comes before the Security Council. I think myself that too much time is spent on position papers that go for a year and everything is frozen for a year. There needs to be much more flexibility with planning in depth, not just on a calendar basis, that leads to a constant review and somebody who can bring up when things look as though they were going to get hot can bring such a question up off the calendar. The calendar is frozen months ahead.

Senator JACKSON. There should be more flexibility so that the Council can concentrate on critical issues and not have a paper on every country in the world and have it come up constantly on an automatic calendar system.

Governor ROCKEFELLER. No. You can't get the paper reviewed unless you get it on the calendar and you can't get it on the calendar because the events don't happen that way.

Senator JACKSON. The people planning the NSC calendar don't have the exact information as to what the enemy is doing to alter the calendar.

Governor ROCKEFELLER. That is right. This would be a function of the First Secretary and he would be in a position to do it.

Senator MUSKIE. I think the First Secretary with his finger right on the pulse could direct functions of OCB as little more effectively in this respect.

Governor ROCKEFELLER. And the Planning Board, and leading up to the Security Council.

Senator MUSKIE. I think it is a challenging idea.

Governor ROCKEFELLER. It really is.

Senator MUSKIE. I don't have any more questions. I would enjoy going on indefinitely.

Senator JACKSON. I just have one or two. Some of the people that we have talked to said that the NSC process should be tied in more closely with the budgetary process. In other words, NSC comes to certain policy conclusions and then there is a problem of whether they will really be implemented or will run afoul of the budget process. Do you have any comments on bringing the two processes more closely together?

Governor ROCKEFELLER. This is where I think the Office of Executive Management is terribly important. That we do both of these

functions, because then you will have a man who is over the budget and who is in a position with the planning group and various other groups working under him to sit down and talk with the First Secretary and see that these things are done, so you don't get a purely monetary domination and thwarting of the execution of policy that is agreed to.

Senator JACKSON. Because if an NSC decision, as approved by the President, is to have meaning and be effective, it requires a budgetary implementation.

Governor ROCKEFELLER. Absolutely.

Senator JACKSON. That is why I am raising the question. You feel that the Office of Executive Management might be in a position to do that.

Governor ROCKEFELLER. Yes. The head of that office should be able to work with the First Secretary in seeing to it that these things flow. In other words, he is the operating man who carries out these programs to see that they don't get bogged down or blocked. He has the responsibility that is one step higher than the Director of the Bureau of the Budget.

Senator JACKSON. We, of course, as members of this committee, are alert to the relationship of the President and the Congress in the national security area. Many of the things you have mentioned, and that we have discussed in our hearings, can be handled by Executive order. Some require legislation. What do you think is the most helpful thing that we as a committee could do? For example, would you think it in order for us to suggest, first, recommendations as to the use of existing instrumentalities that are available to the President and as to what the Office of President might have available and what he, the President, might do by Executive order? Then, secondly, we might work on statutory changes which the President would need in order to give meaning to certain reforms. Would you think this is a sensible approach?

Governor ROCKEFELLER. Yes; I do.

Senator JACKSON. What we are trying to do is to talk to people like yourself and others that are qualified, and who have had experience in the Government at various levels right on up to the highest level of the executive branch. We want to come up with sensible, objective, scholarly, nonpartisan recommendations after the election, so that the new President will have available to him at least some views that other thoughtful people have expressed and try them out if he likes. I just wondered if you had any comments as to what you think our role should be.

Governor ROCKEFELLER. This is where there is need for intimate working between the Executive and legislative, because neither can function here without the other. In view of the timetable which you suggest as your thought here, I would think that recommendations from the administration, if the Reorganization Act were extended, would facilitate passage of programs that you are talking about, because it can combine both legislative and administrative action in a plan which you can review and goes through your committee, which seems to me is the logical place because it has the breadth of understanding and concern. Therefore, I would hope myself, as I said in the prepared statement, that the Reorganization Act could be ex-

tended and that there could be discussions with the President or his representatives as to whether he would, under those circumstances, consider making recommendations. I see no reason why they should not be discussed informally prior to the making of the recommendations, to come before your committee, and would already reflect the thinking of both sides in an informal way.

Senator JACKSON. It would be helpful, too, if the committee gave him the benefit of the committee's thinking on matters that could well divide themselves into better utilization of existing machinery, and then statutory changes.

Governor ROCKEFELLER. He is in a unique position in the fact that he is going out of office. So whatever he may suggest is not for personal gain or aggrandizement or anything else. This is an unusual time. The new man coming in, of course, his authority will be very strong, newly elected, and so forth, and his concurrence should be important. Just the way that President Hoover was effective in recommending plans, if your group working informally with the President developed some ideas which he might recommend.

Senator JACKSON. Mr. Pendleton, our minority counsel.

Mr. PENDLETON. Governor, two conflicting allegations about the operation of the NSC structure have appeared from time to time in the press. One has been that which has been discussed here: the compromise of issues before they reach the final level. The other is the overcrowded agenda. Obviously both can't be true. Do you have any thought?

Governor ROCKEFELLER. I think both are true. I think on the items that come before there has been too much compromise, and I think there are too many items coming before the group. So the agenda was, at least when I was there—I can't speak with authority today—too long. You had to wait in line to get on the agenda. The plans were a compromise which in some cases—I won't try to make an estimate of the percentage—which I think did not reflect the best interest of our Nation.

Mr. PENDLETON. Taking the first one first, the question of overcrowded agenda, could you solve that by bringing less problems to the NSC level?

Governor ROCKEFELLER. Yes, I think you can. If there is a person who has the President's authority delegated by the President to make decisions, I think it would be unnecessary to bring some of these matters before the NSC. I think they could be settled the way you would in any operation. There is a conflict, there is a difference of opinion, a hearing is held, points of view are discussed, and the decision is made. I don't think they need to come before the National Security Council. Some of them are much too complicated to be able to have an intelligent decision made by people who are not familiar with the background in a half-hour discussion. These things need to have staff work leading up—staffed by the person who has the authority—to his making a decision.

Mr. PENDLETON. But the way the NSC operates now, as I understand it, it is consultative to the President. It puts before him decisions to make.

Governor ROCKEFELLER. That is the concept. In actual practice the Planning Board makes the decision in the paper, and it is very seldom that paper is substantially modified.

Mr. PENDLETON. On that question, the idea of the compromise at the Planning Board level, both Dr. Cutler and Gordon Gray, who participated in that Planning Board operation, have indicated in testimony before this committee—

Senator JACKSON. Not Mr. Gray. Mr. Cutler did. Mr. Gray has not been a witness.

Mr. PENDLETON. That is right. Excuse me on that. Mr. Cutler said this: "In my experience divergencies of views appeared in over two-thirds of the papers before the NSC."

Mr. Gray said, "In fact, more than half the policy statements which are sent to the Council from the Planning Board contain split views largely on important issues on which one or more of the NSC agencies have indicated a strong divergence of opinion." This is from his article prepared for delivery at the 1959 annual meeting of the American Political Science Association and reprinted in our "Selected Materials." I take it you disagree with their opinions?

Governor ROCKEFELLER. No, I don't disagree that there were split views in papers that came before us. I would not know the percentage. Bobby Cutler was responsible for the operation. He was Special Assistant for Security Affairs when I was there. But the fact that there is a split view on one question or two questions does not mean that there were not widely divergent views on a dozen more questions which were not reflected. You just could not bring these things up in the number of differences that exist. I personally would rather see those decided by someone with authority and who is informed and who is close to the President and had his confidence rather than see them compromised by representatives from 10 or a half-dozen departments who by the very act of compromise have got to reach a lower common denominator.

Mr. PENDLETON. In order that they be brought to the President for decision.

Governor ROCKEFELLER. Yes. You just can't have all this stuff coming before the President. He hasn't got the time.

Mr. PENDLETON. That is the basic issue involved—how much of this you want to bring to the President for decision.

Governor ROCKEFELLER. Yes. If he does not have the time, then do you have someone who has his authority to make a decision, or do you let a committee compromise the issue?

Mr. PENDLETON. I can see the two points of view and certainly the idea you have is very direct and one approach to it.

Governor ROCKEFELLER. This gets down to the question of whether you give authority to individuals to make decisions or whether you let groups compromise, in the last analysis, and I don't think myself that we can substantially improve the system without some form of higher authority who can really speak for the President with his responsibility.

Mr. PENDLETON. You don't think under an approach like that that you would have the charge that the President is being shielded from major issues?

Governor ROCKEFELLER. No, because if you have an executive assistant who is working with you and he has your confidence, he can give you very quickly, when you are working together, as they would be, intimately—and I see in not security matters but just state op-

erating matters—a man whom I trust, for instance, the secretary to the Governor, works on policy and operating problems and the department heads see him and he will come to me. I can get from him in a matter of 5 or 10 minutes the essence of the problem. I know him. I trust his judgment. I know his background. We have worked together for years. So I know when he says something, I get the feel of the thing and I can make that decision very fast if he feels that he should ask me about it. Or he will inform me of decisions he has made. I just have not the time to hear these people. If a department feels very strongly that they have been shortchanged on a decision and it was wrong they will come to me and I will listen to them. But he is a fairminded man and they have confidence in him. That, I think, is the kind of relationship which is true in any big operation. There needs to be a delegation of responsibility.

Mr. PENDLETON. Thank you.

Senator JACKSON. What it really gets down to is that the NSC, being an advisory body, should concentrate on the highly critical issues so that the President can be exposed to them and make the decisions. These other matters that are of lesser importance, involving differences and so on, should not get into the machinery so as to reach the Presidential level.

Governor ROCKEFELLER. Via that route. They might reach it through a 5-minute talk with his First Secretary.

Senator JACKSON. I gathered from the analogy you used that his First Secretary would give him a daily briefing or as need arose.

Governor ROCKEFELLER. That is right.

Senator JACKSON. The First Secretary would brief him on decisions he has made and what they relate to, so that the President would be currently informed of what is going on. This gets down to the people you have confidence and trust in.

Governor ROCKEFELLER. Exactly. In the last analysis you can't get around that. The President would then have more time to put into creative thinking, into planning ahead and seeing and visualizing these emerging forces and how we are going to develop policy and programs to deal with those and shape them. Then we are taking the initiative not only at home in our mechanism, but in the world scene, which I think is of tremendous importance. That we not be dealing with other people's man-made crises but that we be shaping our own forces.

Senator JACKSON. Mr. Khrushchev has time to run around and go various places and still the machinery keeps moving. Not that we are trying to emulate their system but we do have to look at our competitor and what he is able to do.

Governor ROCKEFELLER. Yes. We have to make those decisions and know that all of the pertinent factors will be brought to bear on the decision by somebody.

Senator MUSKIE. Do you suppose Khrushchev has an opportunity to consider sharp alternatives?

Senator JACKSON. There appear to be some alternatives from time to time, and the main one is survival.

Governor ROCKEFELLER. That is right. You know if we have a clear sense of purpose, then things that happen have meaning in relation to our purpose. If we don't have a clear sense of purpose, then

something happens and you don't know how to judge it, because you have no reference to judge it. I think this is one of the key factors in this thing, if you notice where you are going. I use a very simple analogy of two people coming into a room. One is going out the other door and somebody shoves a chair around him. He has no problem. He just pushes it out of the way. The one who has no plan, does not know what to do, walks around the chair and the chair becomes a problem to him. It is simple but it does have some bearing. With clear purpose, with more time to devote to that, a lot of these problems we will know how to handle which now sort of assume staggering proportions because we don't have any basis for judging them.

Senator JACKSON. Governor, I can only repeat what I said in the open session. We are terribly grateful to you for your constructive recommendations and suggestions. You have given us over 4 hours. We are sorry to trespass on your lunch time. I am sorry you cannot join us for lunch.

Governor ROCKEFELLER. I appreciate very much the opportunity of being here. It is a privilege for me. This is a whole field that we are all deeply interested in. To have a chance to discuss it with informed and concerned people is a great pleasure. I have enjoyed it and I would like to express again my respect for what you gentlemen are doing.

Senator JACKSON. Thank you. If you have no objection we will undoubtedly be in touch with you later, maybe informally, to discuss some of these matters when we get around to the recommendations that we want to make.

Governor ROCKEFELLER. If I can be of any help, it will be a pleasure. I am trying to do the same thing in the State. Not since Al Smith have they had a reorganization. Bill Ronan, who was dean of the School of Government Administration at NYU and I have made a complete study and plan and got through 23 bills this year.

(Thereupon, at 1:45 p.m., the executive session was concluded.)

×

ORGANIZING FOR NATIONAL SECURITY
THE BUDGET AND THE POLICY PROCESS

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MATTERS
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SEVENTH CONGRESS
FIRST SESSION

GOVERNMENT DEPARTMENT

OCT 23 1961

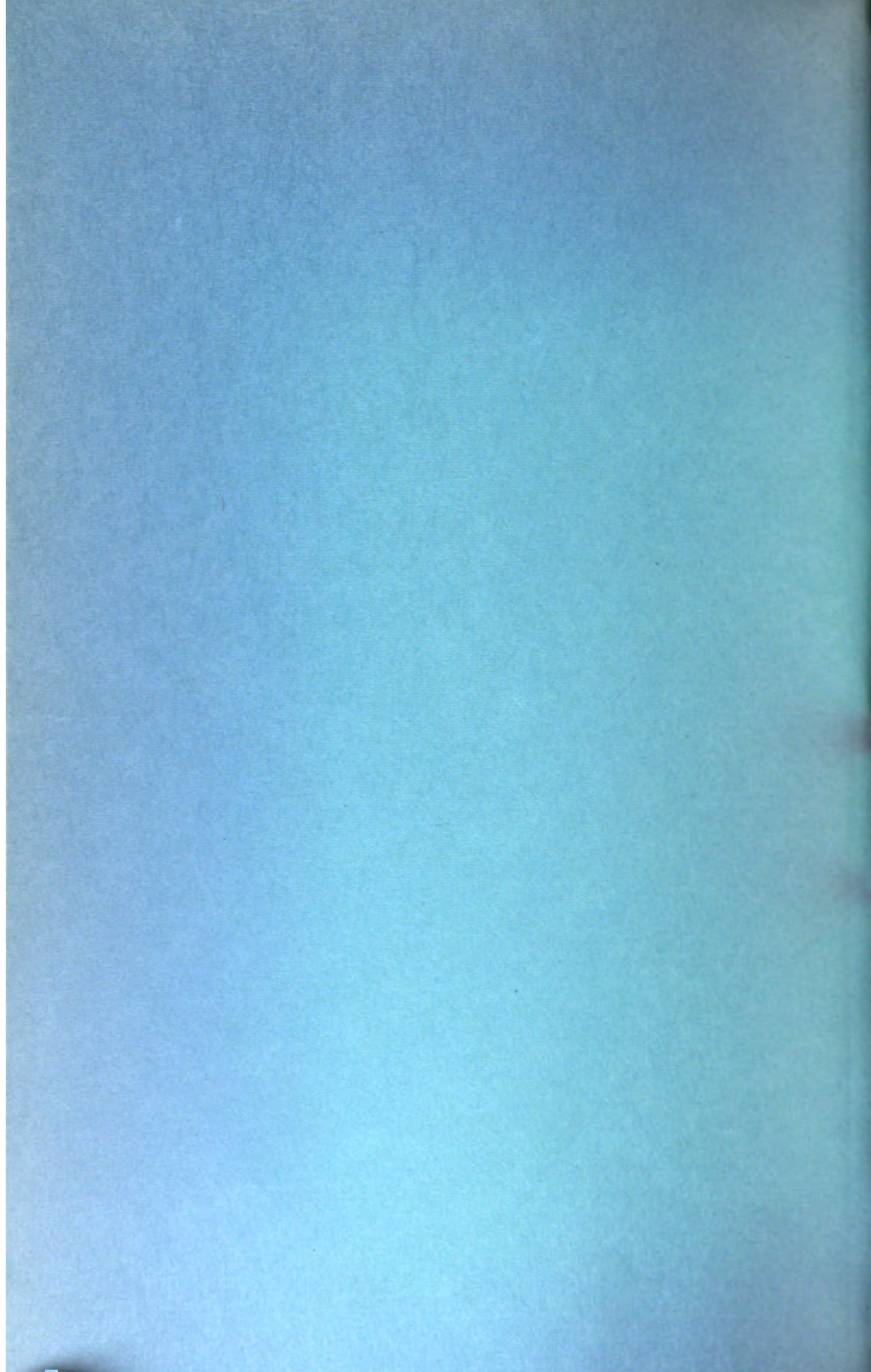
LIBRARY
UNIVERSITY OF CALIFORNIA

JUL 21 1961

PART VIII

Printed for the use of the Committee on Government Operations





ORGANIZING FOR NATIONAL SECURITY

THE BUDGET AND THE POLICY PROCESS

HEARINGS

BEFORE THE

SUBCOMMITTEE ON

NATIONAL POLICY MACHINERY . . .

OF THE

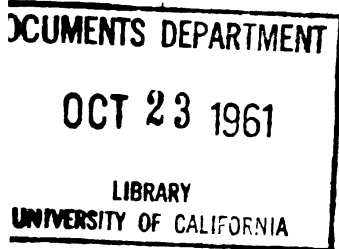
COMMITTEE ON

GOVERNMENT OPERATIONS

UNITED STATES SENATE

EIGHTY-SEVENTH CONGRESS

FIRST SESSION



JULY 24, 25, 31 AND AUGUST 1, 1961

PART VIII

Printed for the use of the Committee on Government Operations



COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, JR., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

BREWSTER C. DENNY, *Professional Staff Member*

RODERICK F. KEEGER, *Minority Counsel*

CONTENTS

JULY 24, 1961

	Page
Opening statement, Senator Henry M. Jackson.....	1003
Testimony of Charles J. Hitch.....	1004

JULY 25, 1961

Opening statement, Senator Henry M. Jackson.....	1057
Testimony of Wilfred J. McNeil.....	1058

JULY 31, 1961

Opening statement, Senator Henry M. Jackson.....	1093
Testimony of Maurice H. Stans.....	1094
Executive session testimony of Mr. Stans.....	1129

AUGUST 1, 1961

Opening statement, Senator Henry M. Jackson.....	1133
Testimony of David E. Bell.....	1134

NOTE.—Executive session testimony of Mr. Bell appears in vol. IX.

THE BUDGET AND THE POLICY PROCESS

MONDAY, JULY 24, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, Mundt, and Javits.

Staff members present: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, minority counsel.

Senator JACKSON. The committee will come to order.

This morning the Subcommittee on National Policy Machinery begins a series of hearings bringing to a close its nonpartisan study of how our Government can best staff and organize itself to outthink, outplan, and outperform world communism.

These windup hearings, like those the subcommittee held last year, will take a frank and searching look at the number one problem facing our country, the planning and management of national security policy.

The Berlin crisis and the rising tempo of Communist activity in Asia, Africa, and next door in Latin America, underline the problems of making policy and coordinating its execution in a world of change and danger.

Old programs must be revised; new demands for manpower and resources must be accommodated; projections of the impact of Government upon the economy must be amended.

From the outset, the subcommittee has been concerned with the question of "dollars and survival"—with the problem of the budgetary process as a prime executive instrument for the planning and management of national security policy. Does it provide the President, his chief lieutenants, and the Congress with the information needed for wise and prudent program choices?

Are the budgetary process and the national security planning and programing process properly related?

Is budgeting done on a long enough time scale to permit effective forward program planning?

Is the budgetary process an effective coordinating and performance auditing instrument for the President and his key civilian and military chiefs?

The first four sessions in this concluding series of hearings will be directed to these and related questions.

Tomorrow we will hear from Mr. Wilfred J. McNeil, who was for many years Comptroller of the Defense Department.

Next Monday, July 31, our witness will be Mr. Maurice Stans, former Director of the Bureau of the Budget, and on the following day, we will hear from Mr. David Bell, the present Director of the Bureau of the Budget.

During August we will take testimony on State-Defense problems and the National Security Council. The witnesses will include Secretary of State Dean Rusk, Secretary of Defense Robert McNamara, and others.

During these hearings, the subcommittee will adhere to the same rules it has used in the past in taking testimony concerning the National Security Council and its subordinate machinery.

This morning we are pleased to have with us Mr. Charles J. Hitch, Assistant Secretary of Defense, and Comptroller. Mr. Hitch has had a distinguished career and made an international reputation as an economist. He served for 13 years, from 1948 to 1961, as chief of the Economics Division of the Rand Corp. While serving in that post he was coauthor of an important study, "The Economics of Defense in the Nuclear Age," which was published last year.

Mr. Hitch, we are pleased to have you here this morning. You may now proceed. I believe you have a prepared statement.

STATEMENT OF HON. CHARLES J. HITCH, ASSISTANT SECRETARY OF DEFENSE

Mr. HITCH. Mr. Chairman, members of the committee, before proceeding with my statement I would like to say a few words about the attachments to this statement. These attachments are all internal memorandums of the Department of Defense. They contain no classified information. Some of them are marked "for official use only," because they were tentative at the time they were issued.

In fact, some changes have been made in the details since they were issued. We will prepare an up-to-date set of these attachments for publication with the committee proceedings, if you desire to publish them.

Senator JACKSON. Will it be all right now to make them available, Mr. Hitch, to the press?

Mr. HITCH. I have no objection if they are made available to the press.

Senator JACKSON. Fine. They will be placed on the table so that members of the press may look at the attachments during the course of the testimony today.

(The documents appear as attachments at the end of this hearing.)

Mr. HITCH. Mr. Chairman and members of the committee, I welcome the opportunity to appear before this committee to discuss the role of the budgetary process in national security policymaking and execution. The work of your committee has been of great interest to all of us concerned with the problem of national security.

Since Secretary of Defense McNamara will appear before you in August, I will leave to him the National Security Council aspects of defense planning and limit myself today to a discussion of what we are doing to improve the planning-programming-budgeting process within the Department of Defense.

But first I want to make clear that we are not starting this task from scratch. No one who has studied the budgetary process as it existed in the War and Navy Departments at the end of World War II can help but be impressed by the tremendous progress achieved since that time.

Just one example: as late as fiscal year 1948, the Navy Department had to manage its financial affairs through some 136 separate accounts, each of which had to be separately considered and appropriated for by the Congress. They ranged in size from \$50 for the payment of certain claims to \$1,294 million for pay and subsistence of naval personnel. The War Department budget was similar. Although the major appropriations paralleled the organization of the two Departments, they did not follow any functional pattern whatsoever. Furthermore, a large number of the appropriation accounts were for minor and obscure purposes which merely represented the accretions of some 150 years of history.

Since then the Defense budget structure has been greatly simplified and rationalized under five principal titles—"Military Personnel"; "Operation and Maintenance"; "Procurement"; "Research, Development, Test, and Evaluation"; and "Military Construction." The number of appropriation accounts has been greatly reduced. We are now asking for new appropriations in only 13 accounts each for the Army, Navy, and Air Force. Comptroller organizations have been established throughout the Defense Department. Basic patterns have been developed for budget program and activity accounts. Progress has been made in achieving cost-based budgets. Institutional arrangements designed to promote efficiency and economy, such as consumer funding and the use of stock and industrial funds, have been established. Financial accounting for materiel inventories is now standard in all the services and much else has been accomplished. For these notable achievements, we have to thank my distinguished predecessor, Mr. W. J. McNeil, the first Comptroller of the Department of Defense, who is scheduled to testify before this committee tomorrow. He was the principal architect of these numerous reforms.

All these reforms are useful and necessary, and we plan to retain them and improve upon them. But there is one area in which we believe we have to add significantly to what we already have.

The revolution in military technology since the end of World War II, or even since the end of the Korean war, has had a profound effect on the character of the military program. The great technical complexity of modern-day weapons, their lengthy period of development, their tremendous combat power, and their enormous cost have placed an extraordinary premium on the sound choice of major weapon systems in relation to tasks and missions and our national security objectives. These choices have become, for the top management of the Defense Department, the key decisions around which much of the Defense program revolves.

Yet, it is precisely in this area that the financial management system showed its greatest weakness. It did not facilitate the relating of costs to weapon systems, tasks, and missions. Its time horizon was too limited. It did not disclose the full time-phased costs of proposed programs. And it did not provide the data needed to assess properly

the cost and effectiveness of alternative programs. As General Taylor pointed out to this committee last year:

In spite of the fact that modern war is no longer fought in terms of a separate army, navy, and air force, nonetheless we still budget vertically in these service terms. Yet, if we are called upon to fight, we will not be interested in the services as such. We will be interested rather in task forces, these combinations of army, navy and air force which are functional in nature, such as the atomic retaliatory forces, oversea deployments, continental air defense forces, limited war expeditionary forces, and the like. But the point is that we do not keep our budget in these terms. Hence it is not an exaggeration to say that we do not know what kind and how much defense we are buying with any specific budget.

This kind of budgeting makes it hard to determine what our military posture will be at any given time in the future.

Admittedly, the financial management system must serve many other purposes. Certainly it must produce a budget in a form acceptable to the Congress. It must account for funds in the same manner in which they are appropriated. It must provide to managers at all levels in the Defense Establishment the financial information they need to do their particular jobs in an efficient and economical manner. It must produce the financial information required by other agencies of the Government—the Bureau of the Budget, the Treasury, and the General Accounting Office.

But all this is not enough. The financial management system must also be made to provide the data needed by top Defense management to make the really crucial decisions, particularly on the major forces and weapon systems needed to carry out the principal missions of the Defense Establishment.

These decisions cannot be made rationally without an adequate knowledge of the available alternatives, in terms of their military worth in relation to their cost. Because of the long life cycle of major weapon systems, the cost of the systems must be projected over a period of years, ideally over their entire lifespan. Only in this way can the full cost implications, present and future, of program decisions be appreciated. And, finally, the entire system must be oriented to provide top management with essential data in terms of programs, since it is in terms of programs that major decisions have to be made.

What we visualize, under the new approach to budgeting, is a three-phase operation:

- (1) The review of requirements;
- (2) The formulation and review of programs extending several years into the future; and
- (3) The development of the annual budget estimates.

The first phase—the review of requirements—has been underway in the Department since March. Secretary of Defense McNamara assigned to the Joint Chiefs of Staff, the military departments, and the various elements of the Office of the Secretary of Defense, specific projects dealing with the most critical or difficult requirements problems.

One, for example, attempts to estimate how many strategic bombers and missiles we will need during the next decade to destroy priority target systems. Another examines requirements for airlift and sea-lift to meet various contingency war plans, and the most economical means of providing them. Another estimates, for various major items of ground equipment, the comparative advantages and costs of:

- (a) refurbishing existing equipment;

(b) replacing it with new equipment off the assembly lines; and

(c) expediting the development of still better equipment.

These are not requirements studies in the traditional military sense. They are military-economic studies which compare alternative ways of accomplishing national security objectives, and try to determine the one which accomplishes the most for a given cost or achieves a given objective at least cost.

Some of these requirements studies involve rather complex analyses which are being conducted by various elements of the Defense Establishment with the help of such research groups as the Weapons Systems Evaluation Group, Rand, et cetera.

The requirements studies are selective rather than comprehensive in scope. They are directed at the most important areas. In these areas, they should provide a firmer basis for the program decisions in the second phase of the operation.

The second phase—the formulation and review of programs—was started in May. Attachment A, a memorandum for the departmental Assistant Secretaries for Financial Management, provides general guidance to the military departments for the development and submission of the program data. (See pp. 1036–1039.)

No dollar ceilings were assigned to the military departments. They were instructed, instead, to use as a base force projections prepared by the Joint Staff of the Joint Chiefs of Staff, which reflect the program decisions, explicit or implied, in the fiscal year 1962 budget, as amended in March and May of this year.

They were asked to submit proposals for additional forces and new programs (projected wherever possible through 1970) which, in their judgment, are required to support our basic national security policy. The departments were particularly encouraged to submit alternative forces and programs so that the Secretary of Defense, in reaching his decisions, would have before him the principal choices available to us in achieving our national security objectives. The total costs of each proposed program must be shown for at least the next 5 years.

The time schedule for the submission of the programs is shown at the very end of attachment A (p. 1039). The first package of programs, "Central War Offensive Forces" (more familiarly known as Strategic Retaliatory Forces), was scheduled to be submitted by July 3 and that target was met.

My office, working with the Joint Staff and the military departments, developed a standardized list of program packages and program elements, as shown in attachment B. (See pp. 1039–1046.) By a "program element" we mean an integrated activity, a combination of men, equipment and installations, whose effectiveness can be related to our national security policy objectives. As examples, we have in mind such forces as B-52 wings, infantry battalions, and combatant ships, taken together with all the equipment, men, installations, supplies, and support required to make them effective military forces.

By a "program package" we mean an interrelated group of program elements that must be considered together because they support each other or are close substitutes for each other. The Central War Offensive Forces is an example of such a package. The unifying principle of each package is a common mission or set of purposes for the elements involved.

As you can see from a perusal of attachment B, we have attempted to identify each specific item or activity which would meet the definition of a program element; we have organized them into large related groups, and finally into program packages related to the major military missions.

For example, on the first page of attachment B are listed the program elements included in the Central War Offensive Forces program package. You will note that they are divided into a number of general categories: aircraft forces; land-based missile forces; sea-based missile forces; command, control, and communications systems; and headquarters and command support.

Within the aircraft forces are the B-52's (with HOUND DOG and QUAIL air-to-surface missiles listed separately), the B-58's and B-47's (including the reconnaissance version of the B-47), the tankers, and the B-70.

Within the missile forces are ATLAS, TITAN, MINUTEMAN, and POLARIS, plus the THOR and JUPITER IRBM's, and the submarine-launched REGULUS missiles. Also included in the Central War Offensive Forces package are the communications links and the command and control systems required for the effective direction of the strategic forces, together with the headquarters and command support associated with these forces.

The Central War Defensive Forces (or Continental Air Defense Forces) program package is another of the more easily definable program packages supporting a clearly identified major military mission.

The third and largest program package is that for the General Purpose Forces. These are the forces on which we rely to fight local or limited wars, or theater engagements in general war. This package is organized broadly along service lines; within services the basic, identifiable combat units form the program elements. Under the Army are almost all its regular combat units and command support elements. They range from the four basic kinds of divisions through the missile groups and commands to tank units, artillery battalions, air defense units for the Army in the field, and aviation companies.

The Navy's list is even longer, embracing all of the combatant ships and support vessels, except for the strategic-missile-firing submarines, which are in the strategic offensive package, the radar warning picket ships in the defensive package, and Military Sea Transportation Service (MSTS) ships, which are in the sealift and airlift package. All of the Fleets' various aircraft units are also included, except those assigned to the airborne early warning squadrons.

All Marine Corps units are listed under "General Purpose Forces," including the Marine Air wings.

The Air Force General Purpose Forces include principally those units assigned to the Tactical Air Command and the theaters. The tactical fighters and bombers, tactical reconnaissance aircraft, KC-50 tankers, MATADOR and MACE missiles, and the associated command and control systems and headquarters all fall under this category.

The fourth program package is that for Sealift and Airlift. The troop carrier wings of the Air Force, including theater airlift, Military Air Transport Service (MATS), and Military Sea Transportation Service (MSTS), make up the essential pieces of this grouping.

The fifth program package is composed of the Reserve and National Guard Forces. The program elements are arranged according to service and within each service according to which of the major missions they support. Actually, Reserve and National Guard program elements will be reviewed in the appropriate mission package—Central War Defensive Forces, General Purpose Forces, or Sealift and Airlift, depending on the character and function of the individual units.

Program package No. 6 includes all of the Department's Research and Development projects not associated with other program elements. Space projects are gathered in a separate group in the R. & D. program package.

The seventh program package is labeled Servicewide Support. This is the "all-other" package, containing all the activities not readily allocable to missions, forces, or weapon systems. Some of its major elements are recruit, technical, and professional training, the overhead of the supply and maintenance systems, medical support, and higher headquarters. The other packages are self-explanatory.

No doubt, as we gain experience, there will be further changes in this list. There will be a continuing task of adjusting the list to reflect changes in the forces and programs, as well as in plans, concepts, and organization. As a result of last week's Executive order we will begin to fit civil defense program elements into the Central War Defensive Forces package where they belong.

The first and second phases of the new process, i.e., the requirements and programing phases, will, after this first year, be continuous year-round efforts. Once the initial formulations of requirements and programs have been completed, reviewed, and approved by the Secretary of Defense, the continuing effort will be concentrated on program revisions to take account of changing conditions, new developments, and new requirements.

For example, we are now working into our program projections the effects of the new set of amendments to the fiscal year 1962 budget which President Kennedy will send to the Congress on Wednesday. As each year goes by we will project our requirements and programs forward another year so that at all times we will be looking at least 5 years beyond the current budget year. Thus the Department of Defense will have at all times a tentatively approved program, fully costed, and projected at least 5 years into the future, to serve as a planning guide to the entire Defense Establishment.

If the system develops according to plan, we should be able, in the fall of each year, to draw up rather quickly a detailed Defense budget by using the first year increment of the approved programs, together with other policy guidance, as the basis.

There should be no need for a hectic and hurried *program* review crammed into a few weeks in the midst of the annual *budget* review. The basic program review will have been accomplished and only a final check and some last minute adjustments should be needed as far as the programs are concerned. This should make for a much more orderly and thorough budget preparation, and provide time for a careful scrutiny of program detail, shopping lists, production schedules, lead-times, activity rates (flying hours, steaming hours), personnel grade structures, cost estimates, status of funding, and all of the myriad things involved in the preparation of a Defense budget.

To facilitate the translation of approved programs into budgets we have requested the services to submit the costs of each program element by fiscal years and in several ways:

1. By obligational authority required and expenditures expected;
2. By appropriation account and budget title, in line with the present budget structure; and
3. By three broad categories of costs—research and development, investment, and operating—covering the three principal phases in the life cycle of a weapon system.

“Research and development” costs are defined, for this purpose, as—
all costs associated with developing a new capability to the point where it is ready for introduction into operational use. Such costs include not only the equipment (prototypes, test vehicles, etc.) required in a development program, but also the related facilities, supply, and personnel costs, where applicable.

“Investment” costs are defined as—

the onetime or initial outlays required beyond the development phase to introduce a new capability into operational use (including initial training, initial stockloads of spares and supplies, the bases and installations, etc.).

The culling out of programs, obviously, should be done in the research and development stage, before heavy investments are made in committing the system to production. That is one of the reasons why we have separated the R. & D. from the investment category—so that we can plainly see the costs involved in a decision to produce and deploy a weapon system as contrasted with the cost of its development.

We also believe the operating costs should be clearly identified and estimated years in advance. All too often these costs are overlooked when decisions are made on weapon systems; and they can be substantial. For example, the cost of operating a B-52 wing for 5 years is roughly equivalent to its investment cost—about \$500 million in each case. The ratio of operating to investment costs varies widely from system to system.

Attachment C is an example of the instructions and formats used in cost estimating. These particular schedules are designed for the Navy, but they are typical of those designed for the other two Departments. Taken together, these schedules will provide the essential cost data needed for planning, programing, and budgeting within the Department of Defense, for Presidential and National Security Council consideration, and for congressional review.

We visualize the program package review within the Defense Department as a team operation involving not only the Secretary of Defense and his staff, but also the service Secretaries and Chiefs, and the Joint Chiefs of Staff. Each of the military departments and the Joint Chiefs of Staff are receiving copies of all the material submitted by the military departments. Thus there will be a complete interchange of information and Secretary McNamara will look to the service Secretaries and the Chiefs, as well as his own staff, for advice and counsel on the defense program as a whole.

The primary function of the Comptroller's office will be to assemble and organize the data submitted for the use of all participants in the review process, and to review specifically the cost estimates. The evaluation of military effectiveness will be the primary responsibility of the military departments and the Joint Chiefs of Staff. Other elements of the Office of the Secretary of Defense will review the submissions and advise the Secretary on aspects of the programs within their

areas of functional responsibility. For example, the Director of Defense Research and Engineering will review and advise on the scientific and technical aspects of all programs; the Assistant Secretary of Defense, Manpower, on the personnel aspects, etc. In this way we hope to bring to bear on the formulation of the defense program the full knowledge and skills of all the principal officials of the Department of Defense.

The first program packages have already been submitted and copies have been furnished to each of the services, the Joint Chiefs of Staff, and the various elements of the Office of the Secretary of Defense. My office has just completed and distributed a summary of the first package and an analysis of its cost implications over the years.

Over the next several weeks, in accordance with the schedule shown at the end of attachment A, the Secretary and Deputy Secretary of Defense will review the data and analyses and, with the assistance of the principal civilian and military officials of the Department, establish a tentatively approved overall defense program for the next 5 years. This phase of the review process should be completed during September.

During October and November the services will prepare, and the Office of the Secretary of Defense will review, the annual budget requests and final decisions will be made on those portions of the approved programs which are to be financed in the fiscal year 1963 budget.

As I have already indicated, we have undertaken the new planning-programing-budgeting process on what amounts to a "crash" basis, with the best information at hand. This fall we shall address ourselves to the problem of adjusting the information reporting systems to meet the full requirements of these new procedures. With the help of three contractors who have done pioneering work in relating costs to weapon systems and programs—Rand, Stanford Research Institute, and the Institute for Defense Analyses—we plan to review the existing information systems and devise and install the necessary modifications.

We do not anticipate any insurmountable difficulties in making these needed adjustments, and we estimate that they can be effected in 1 to 2 years. Our objective is to develop an integrated reporting system which will provide reliable cost and program data in terms of the program elements and packages. While we do not expect the financial accounting system to provide all the cost information directly in terms of programs, we do expect it to furnish the basis for good statistical cost estimating and for after-the-fact checking on the estimates. Financial reporting of obligations and expenditures by appropriation account will of course be continued as an essential part of the financial management system.

Further, we want the new information reporting system to give us the data needed to assess properly the progress and status of each of these program elements in relation to the approved program. This will enable us to match performance against plans, both in physical terms and in financial terms. For the first time, the Secretary of Defense will have an integrated financial management system specifically oriented to the manner in which he has to make decisions—by program in relation to military mission.

Mr. Chairman, I have outlined the improvements in the planning-programing-budgeting process of the Defense Department that we are

trying to achieve. These improvements, of themselves, will not make the hard decisions easy, nor will they make simple the complex problem of formulating national defense policy. What they will do, we hope, is facilitate the rational analysis of national security problems.

They will make us aware of the full cost implications of the choices we make. They will permit us, in shorter time and with greater accuracy, to cost out the various policy alternatives presented to the National Security Council for its consideration.

I feel very strongly that whether one is choosing among particular items of equipment or among various policy proposals, it is extremely useful to array explicitly the alternatives and their respective costs and effectiveness. The procedures we are developing will promote this way of looking at defense problems, this way of deciding how best to defend the security of the United States.

Senator JACKSON. Mr. Hitch, on behalf of the committee I want to express our appreciation for a most illuminating statement. I know it will be helpful to our overall study of the national security policy process.

As you indicated in your statement, the President will recommend tomorrow a strengthening of our defense posture. In this connection, do you think that the changes you are instituting in the budgetary process are helping the Secretary of Defense and the President to reach wiser decisions sooner?

Mr. HITCH. Mr. Chairman, I think it would be fair to say that the program packages would have been extremely helpful in this review if they had been developed in time.

However, if you will look at the schedule by which the program packages are to be submitted, you will see that the general purpose forces, which were the most directly involved in this particular review, have not yet been scheduled for submission. Therefore, they were not available and this review had to be made, as so many reviews in the past, starting more or less from scratch.

I think that in the future when we have these program packages ready and approved it will be easier to make such reviews. We can make them quicker and we can make them more meaningful.

Senator JACKSON. In the future.

Mr. HITCH. In the future.

Senator JACKSON. As I understand it, you are now on your third supplemental request, or third amendment to the Defense budget since taking over your present assignment. Is that not correct?

Mr. HITCH. That is correct. Yes, sir.

Senator JACKSON. You also have the job of trying to meet schedules for submission of the budget for next year as well as for the programs you have outlined in your statement today.

Mr. HITCH. Yes, sir; these long-range programs.

Senator JACKSON. I would say you are rather busy.

Do you expect to ask for long-range obligation authority from Congress next year in connection with the long-range budget plans that you have outlined in your statement?

Mr. HITCH. No, sir. We intend to ask only for the annual budget in the form in which we have asked in the past.

The annual budget now includes, in a number of cases, funding for programs that require several years to complete. The funding in such cases is not limited to the next fiscal year.

In summary then, we propose to ask for an annual budget organized under much the same appropriation accounts as in the past. Some of these accounts would be annual accounts, others would be "no-year" accounts.

Senator JACKSON. But would it be presented to the Congress in such a way that, where feasible, the projected requests for the years following the immediate budget request would be included?

Mr. HITCH. The budget request that we make for next year will be related to these longer term programs so that the Congress will be able to look at the implications of the budget in terms of the long-term programs that the budget will be supporting.

Senator JACKSON. Now, I want to give an illustration that comes to my mind from personal experience, and see what will happen under the proposed plan.

A few years ago I was pushing very hard for the Polaris submarine program—that is the long-range strategic striking force made possible by the development of the nuclear-powered submarine and the POLARIS missile.

The problem I ran into was that the Navy had its current requirements to meet, requirements for limited war, for its role in general war, requirements for antisubmarine warfare, and so on.

I was told it was a fine program and they would like to ask for more POLARIS submarines, but the trouble was that it would not fit in their budget ceiling.

At the time I tried to suggest that in view of the invaluable future use of the POLARIS submarine that the program probably ought to be included in a special budget that covered our strategic long-range striking forces.

Nothing came of this request.

I wonder if you could indicate how that weapon system would be handled under the program that you have outlined here today.

Mr. HITCH. Yes, sir; I think it will make a considerable difference in the way a new program of this kind will be handled. We are not assigning any overall dollar ceilings to the services.

A new program, like the POLARIS in the strategic offensive area, would be submitted by the service in the strategic offensive package. In the review it would tend to be competing directly not with other Navy programs, but with the other means of carrying out the strategic offensive mission.

It would not be compared with the antisubmarine warfare activities of the Navy; rather it would be compared with other strategic systems such as Air Force bombers and land-based missiles.

I think this will make a great deal of difference in the way in which these new programs are looked upon by the services and by the Secretary.

Senator JACKSON. What you are saying, then, is that the contribution that each weapons system could make to a military mission would be the basic consideration in this case?

Mr. HITCH. Yes, sir; it would compete in relation to the mission area for which it is primarily designed.

Senator JACKSON. As you see it now, what effect will this new program have on cutting up the defense budget pie?

Mr. HITCH. I could not predict that, sir. The decisions that the Secretary makes on the basis of all the advice he gets and all the

information he receives will be the primary determinant. I cannot see that the program package concept will in itself necessarily affect any service favorably or adversely.

Decisions will depend upon the quality of the programs that each service submits in comparison with other elements of the program package.

Senator JACKSON. You feel that, under this approach, the vital weapons systems we need are not going to get crowded out, at least, of consideration?

Mr. HITCH. That is correct. I am not saying that we will be able to do everything we want to do in the defense field. I am sure we never will. However, a program should not get crowded out simply because of competition at the service level with other elements of the service program.

Senator JACKSON. Senator Mundt?

Senator MUNDT. Thank you, Mr. Chairman. I would like to associate myself with the chairman's compliments on the very informative and comprehensive report, Mr. Hitch.

Through the years everyone has read a great many articles and speeches about the tremendous savings which might accrue to the Defense Department through some system of common procurement. I do not know how much validity there is to all these suggestions, but I presume there was some.

I wonder what progress is being made in the direction of establishing procurement and a standardization of supplies in those areas where the various services might well utilize the same kind of material.

Mr. HITCH. Sir, there has been a good deal of progress in this direction. It has been gradual progress. The Department generally has added one thing at a time, that is one category of items at a time, to those which are handled by a single manager for the Department as a whole.

There are under study various proposals for moving more rapidly and more drastically. However, as Comptroller, I am not primarily involved in these studies.

I am quite interested in them, of course, but the person who is primarily concerned is the Assistant Secretary for Installations and Logistics, Tom Morris.

I do not know what the final recommendations will be. This is a very difficult problem. It is easy to see the waste and inefficiency of the present system. For this reason I think sometimes it is too easy to jump to the conclusion that you could solve all the problems by extreme centralization of the functions. I think it is not that simple. There are also some sizable problems involved in extreme centralization of such functions.

This is probably one of the reasons that so many large industrial corporations decentralize them.

I am not really clear in my own mind whether faster, larger scale movements in this direction would pay off to the extent that some people hope. But there is certainly room for improvement.

Senator MUNDT. But there are studies being made.

Mr. HITCH. Yes, sir. Studies are underway.

Senator MUNDT. Under the direction of one of the other assistant secretaries?

Mr. HITCH. Yes, sir.

Senator MUNDT. Are those reported to you? You are sort of the keeper of the house, obviously, of everything that is going on.

Mr. HITCH. I am the financial manager; yes.

Senator MUNDT. I was wondering whether in your office you did have some coordinating recording system to indicate the progress that is being made. I don't know how astronomical these savings are going to be when you look at them in actuality, but certainly a lot of people believe we can save a lot of money that way, and any time we can save money by standardization, it should be done.

Mr. HITCH. Yes. We will, of course, keep track of how much is being spent under the new system as compared to that under the old system. However, before we make this change and have a new system in operation we are in the very treacherous area of prediction, and nobody is really good at predicting in this area.

Senator MUNDT. You mentioned that you are going to try to establish a sort of 5-year prognostication, I believe, as to cost involved in defense.

Mr. HITCH. Yes, sir.

Senator MUNDT. How good do you think that conjecture is going to be in view of a world changing so rapidly that even the annual submissions to Congress have to be supplemented two or three times. We have to have special messages from the Chief Executive, because Khrushchev changes the emphasis he puts on his push against freedom here and there. It will be very hard to make 5-year prognostications, will it not?

Mr. HITCH. I am sure they will not be fully accurate. I am sure we will not rigidly adhere to any particular 5-year program we lay out.

In fact, if we did we would be foolish because undoubtedly there will be changes in circumstances and in technology that we cannot predict.

Senator MUNDT. Not only the political changes, but it is the changes in technology. The inventive mind of man is going to come up with some new devastating weapon that will upset your budgetary plan. You have to rush up to the Appropriations Committee for new money.

Mr. HITCH. That is right.

Senator MUNDT. Another question that lies before us many times and is a constant source of discussion in our Appropriations Committee is the problem of competitive bidding. This is a competitive economy and by and large our citizens are happier if they think their money is being spent through competitive bids.

We have pressed that point in appropriations and you fellows on your side of the table representing defense are very liberal in requesting bids on a truck and automobile.

That does not work so well if you are buying a JUPITER or POLARIS weapon, or something.

Can you indicate any encouragement as to what progress we might make in the area of competitive bidding and in the absence of that, can you give some assurance that taxpayers' money can be guarded equally well through other accounting systems, such as renegotiations, recapture contracts and so forth?

Mr. HITCH. I cannot give the last assurance, sir, because I do not think there is any substitute for competition. I think the best solution is to get competition into this procedure in one way or another. I don't think you can provide an equal degree of economy by any other method.

Senator MUNDT. I share that feeling, but I also share the feeling of the people testifying at the other end of the table and representing the Defense Department point of view. How do you get competition when you are building a guided missile base, or when you are getting ready to shoot a man into space?

You do not have many competitive firms in that business, do you?

Mr. HITCH. As far as actual construction of the bases are concerned, there are a lot of firms competing. In general the construction contractors have been selected on a competitive bid basis. It still is not entirely satisfactory because once the contract is let you get locked into your contractor and then you have lots of changes and these have to be negotiated.

In general, however, the base construction has been done on a competitive bid basis.

Senator MUNDT. The base construction, but not the construction of the thing that is shot up in the air.

Mr. HITCH. Nobody has ever learned how to get competition into procurement of the missiles themselves.

Senator MUNDT. That is the big expense.

Mr. HITCH. How you can bring about real competition for these very new weapon systems, which you simply cannot describe in advance in the kind of detail necessary to get competitive bid submissions—even if there were several people who could make them—is a problem which has defeated everybody who has looked at it so far.

Senator MUNDT. The failure to do so, maybe the impossibility of doing so, I think you will agree, has added to our defense cost.

Mr. HITCH. Yes, sir; I would. I think some progress is being made. Not in these extreme cases, but in some other cases, we are attempting to get the drawings earlier so that only the first production run is made by the person who has the development contract. We do get competitive bids on subsequent production runs of a good many items. Even so I do not believe that would solve our problem in relation to a weapon system such as the TITAN missile, for example.

Senator MUNDT. I think the importance of this was dramatized last week when a subcommittee of the Appropriations Committee of which I am a member, dealing with different types of Government activities, actually some reclamation projects, some of which are in the chairman's area, found in project after project we had been able to cut back \$8 million, \$5 million, \$10 million, and in one case \$23 million, from the anticipated cost.

The contractors in the area were hungry and were bidding competitively whereas the costs of defense have constantly gone up.

So as we can inject more competitive bidding into this weapon system certainly we are going to move in the direction of buying more defense for the taxpayers' dollar.

Mr. HITCH. Sir, I entirely agree. I think we must keep trying to get competition in wherever we can. The Secretary of Defense, Mr. McNamara, believes strongly in competition; so do I. But it is very difficult in some of these cases.

Senator MUNDT. I know that, but I am encouraged to know you are continuing to try because we will become standardized, I am sure, in some of these areas after a little more experience and experimentation.

Now, there is another area where it seems to me, and it has seemed to me for a long time, that we could economize. You mentioned three categories, I believe, in your opening statement, the categories including the life cycle of the weapon system, research and development, investment and operation. I was hoping that you would have a fourth category.

Senator Young, of North Dakota, and I, sitting on the Defense Appropriations Subcommittee, have suggested this at one time or another. We have been hopeful that a new look from a man who has had great experience in this field might bring in a fourth category. For want of a better name, never having had the advantage of knowing all the technical terms they use down at Rand, I would simply say a recapture category.

Our experience indicates, and our study of this over a great many years, indicates that one great place where the taxpayer just does not get value received is when you finish using the jeep or a truck or an airplane. You just wash the thing out of your hair—I am talking now about the Defense Department—wash it out of your hair, get it out of sight, sink it in the ocean, bury it in the ground, without any thought that this is a piece of merchandise with value. You do not have to give it away. You do not have to make it a free donation to some community which would be immeasurably better off to pay for it than the poor old Federal Government.

Why do we not do something in the direction of trying to recapture value from some material which is excess or surplus?

It is a shocking experience to walk down the wrong side of the street, in the wrong part of town, in any of our metropolitan areas and find brand new military merchandise for sale, a nickel's worth on the dollar.

Somebody has gotten that from the Government almost for nothing and is peddling it around in Army and Navy stores. Some big machinery we urge people to come and get, almost for free.

I was hopeful that as you realized this from your broad base of experience you would say, "Look, out of these \$50 billion that we spend every year and the thing becomes obsolete and surplus maybe we can pull back and save and recapture \$4 or \$5 or \$8 or \$10 billion and put it back into the Defense of the future."

Mr. HITCH. Well, sir, it is perfectly apparent that there is room for improvement in what the Defense Department has done in this area in the past. I am afraid it is one of the areas into which I have not yet found time to delve.

Senator MUNDT. This would come under your general purpose?

Mr. HITCH. No, sir; I don't like to run away from problems, but this is considered a logistics problem and as such falls under the purview of Assistant Secretary Morris.

I am keenly interested in it, however, and I might say I have been concentrating my effort on the problem of how we keep from making mistakes in ordering these things in the first place, rather than on the problem of a better method to dispose of them after we have made the mistake.

Senator MUNDT. I am not critical of the fact because anybody is going to do that, your successors are going to do it.

What is the use of keeping a lot of things that are obsolete. But things that are obsolete in defense are not necessarily worthless to the community.

Mr. HITCH. No, sir.

Senator MUNDT. We have tried hard, and I hope you will carry this back to your associates who worked on the team, Senator Young and I have tried hard to get so simple an improvement as to send up to the 537 offices of the Hill an inventory of the band instruments that you no longer need, of the fire engines you no longer need. All of us have in our respective communities people who would like to buy these things.

Instead of that, we hire a retinue of people to try to give them away, or to bury them in the ground.

This is a tremendously important thing. This is not a 5- and 10-cent store decision. This is really important.

It seems to me that it comes in the category of the things that you have discussed with us. I do hope you will take a new look. It is a tough problem.

Now, on this business of inventory. We sometimes read the startling headlines about some department of the Government that has bought 1 million padlocks and has only 500,000 doors and things of that kind. That would be in your department, and I hope you will make progress in that direction.

So when those mistakes are made—and some of those I suppose are inevitable—we do not like to see the padlocks turned back for 5 cents on the dollar.

And the same wise procedures that you have been discussing in terms of procurement should also be employed from the standpoint of getting rid of the material we no longer need.

Mr. HITCH. Yes, sir. I agree.

Senator MUNDT. Thank you.

Senator JACKSON. Senator Javits, would you rather defer until later?

Senator JAVITS. I will defer for the moment, Mr. Chairman.

Senator JACKSON. Mr. Hitch, in order to clarify the procedure in your new program package system, let us consider POLARIS as an illustration. Who would be charged with the responsibility of making the POLARIS presentation, for instance, for the central offensive force package?

Mr. HITCH. The Navy Department.

Senator JACKSON. Then from there would it be handled by the Joint Chiefs, or by the Secretary of Defense? What would be the procedure?

Mr. HITCH. The decision about the program would be made by the Secretary of Defense. He would, of course, get military advice from the Joint Chiefs. He would undoubtedly in a case like this also want the advice of the Director of Defense Research and Engineering on the technical aspects of the problem and the advice of the Assistant Secretary of Defense, Installations and Logistics, on the production problems and production schedules. As Comptroller, I would provide the cost analysis, and under our new procedure, the Programing Office would assemble and present all of the data.

The decision would have to be Secretary McNamara's. There is no one else who can make these decisions that influence so profoundly the allocation of resources among the Services.

Senator JACKSON. What troubles me is that if, on this first go-round, under the program package approach, the service finds that with the big increase occurring—in this case in the strategic striking force—other items are cut back, maybe they would be reluctant to push the newer and more costly programs that would tend to offset the so-called balance of forces within their own department.

Mr. HITCH. All I can say is that it seems to me that under the program package procedures there is less chance of those cutbacks affecting programs in the same service, so that the tendency to hold back for this reason should be considerably less.

Senator JACKSON. Now, you will come to Congress, as you said you would, with the conventional budget, but would you also come with the program packages?

Mr. HITCH. Yes, sir. Our present plan is to present the budget in both ways. The Secretary wants to present it and justify it by programs.

We also, of course, have to present it by appropriation title. That is the manner in which we expect the Congress to appropriate the funds.

Senator JACKSON. Now, who will defend the package, or packages?

Mr. HITCH. This will be the primary responsibility of the Secretary. He will have the help of all of us, including, we hope, some of the people in the services.

Senator JACKSON. That is what I am leading into, the question of the role of the commanders of the unified and specified commands in presenting the packages.

Now, if for example, you are dealing with the strategic striking forces, the organization is divided at the present time.

My questions, I want to assure you, are merely questions; they are not judgments on my part. I am just trying to bring out the full implications of your plan.

If the organization of the program packages along these lines makes sense for reasons of budget and decision-making, is it not possible that they make sense for the actual organization of the forces?

Or perhaps this does not necessarily follow. In other words, you may do it for purposes of budgeting, you may not do it for purposes of organization.

It would still seem to me that a single program package—in this case, the offensive striking forces—would be best advocated and defended by one overall commander.

I presume at the outset you are going to have this package defended by the people who are responsible for the separate elements.

Mr. HITCH. Yes, sir; each element of a program package will be defended in detail by the people who are responsible for that element.

Senator JACKSON. So there would be no change organizationally?

Mr. HITCH. There will be no change. I am not saying there will be no organizational changes in the future, but we don't at present envision any change in this respect.

Certainly, ideally, the way you program and budget should parallel the way you are organized; they are interrelated. But the two do not have to mesh perfectly.

You can program and prepare your budget in one way while you are organized in a somewhat different way.

Senator JACKSON. Then, I assume, in the case of our strategic offensive forces, you would have the commander of SAC defend most of the budget and the Chief of Naval Operations would handle it from the standpoint of the submarine-launched missiles.

Mr. HITCH. At present the commanders of the unified and specified commands do have an input to this programing. They make their submissions through the Joint Chiefs organization. They submit their requirements as they see them to the Joint Chiefs and it is the Joint Chiefs who directly advise the Secretary.

Senator JACKSON. I want to turn again to the question of the program packages themselves. This, in general, is what General Taylor was advocating in connection with his functional budget approach, was it not?

Mr. HITCH. Yes; as I understand what General Taylor said, we are talking about the same things.

Senator JACKSON. You have made certain refinements, but the approach is essentially the same.

Mr. HITCH. Yes.

Senator JACKSON. You generally agree with his approach to this problem?

Mr. HITCH. To this problem; yes, sir.

Senator JACKSON. In what way will the preparation of a budget estimate for a program package differ from previous practice so far as the roles of the services, the individual military departments, and the Joint Chiefs of Staff are concerned?

In other words, is the central war offensive package merely a compilation of figures which have been prepared by the individual services, or is it a package in the sense that the balance between its various elements has been debated and agreed by the Joint Chiefs or some other appropriate joint body?

Mr. HITCH. The elements proposed for inclusion in a program package will each be prepared by some service. Each of the elements is a service element and the responsible service will prepare the cost estimates associated with that particular element.

The decisions about the balance of the package as a whole, that is, which elements you will approve, and how large each of these elements should be, will be made by the Secretary on the basis of advice that he gets from, among others, the Joint Chiefs.

Senator JACKSON. In other words, the services provide the elements. Those elements are known.

Mr. HITCH. Those are known to everyone. Yes, sir.

Senator JACKSON. The Secretary of Defense will have the ultimate responsibility.

Mr. HITCH. I am sure that the sum total of the costs of all the elements proposed by the services will add up to considerably more than the Secretary of Defense or the President or the Congress will approve.

So there will be, as usual, the necessity of review and of reduction in the proposals.

Senator JACKSON. I mentioned earlier the question of long-range authority. We do have that provision for certain cases involving contracts in previous appropriation bills which have been passed.

Is this not helpful, especially in research and development projects, so that you could have some assurance that the projects could be seen through to completion?

Mr. HITCH. Yes, sir; I think it is desirable. In a good many research and development projects we now have what is called longevity funding. While there is a considerable amount of this now, it still is a very small proportion of the total research and development program.

In addition to longevity funding for some research and development programs there is what is called full funding for a number of procurement programs, particularly naval vessels. Naval vessels are now fully funded at the time Congress first approves going ahead with a particular naval shipbuilding program.

Senator MUNDT. Does the record which you have studied very fastidiously, I know, in preparing these new identification areas, indicate where any research project or naval vessel has been suspended in midair and stopped because of the failure of the Appropriations Committees of the Congress to go through with a project which has been initiated?

Mr. HITCH. I do not recall any case in which a naval vessel has been suspended in midair.

Senator MUNDT. I cannot think of any. It seems to me whether you talk of contractual authority, obligational, or full funding, or no-year spending, I do not believe that any valid criticism can be launched against the Appropriations Committees of the Congress for failure to go through with whatever the Defense Establishment has initiated.

Mr. HITCH. I agree.

Senator MUNDT. It is no problem in anything but semantics.

Mr. HITCH. In the case of research and development, I think there are cases where it would be desirable to give assurance of a longer range research program. This has been done recently, for example, in the area of materials research. In this case it was apparent there was not enough research on metals and other materials useful in aircraft and missiles going on in the United States. The Department was anxious to get some materials research going on a substantial scale at a number of universities.

In this case I think it was extremely helpful that the Department was able to assure funding for 5 years so that research organizations could embark on a program to provide the installations and hire the people, which they wouldn't have been able to do on a 1-year basis.

Senator MUNDT. These accommodations have been worked out time and again down through the past with the Appropriations Committees of the Congress.

Mr. HITCH. Yes, sir.

Senator MUNDT. I think there is some misunderstanding on the part of some that because Congress meets every year it has an appropriation bill every year, that every once in a while it goes along chopping off the heads of projects.

If there is such evidence this is the place to get it on the record. If there is not such evidence then it is a pretty good place to give some solace to the general public and let them know that decapitory practice is not engaged in by the Appropriations Committees of the Congress.

Mr. HITCH. Certainly some of the apprehension around the country is unjustified.

Senator JAVITS. I notice in your statement you say:

Establish tentatively approved overall defense program for the next 5 years.

Just as you disclose your program packages to the Appropriations Committee authority, do you also disclose the tentative approved overall defense program for the next 5 years?

Mr. HITCH. Well, sir, exactly how we will handle this has not been decided. We will have to discuss it with the President and with the Appropriations Committees.

Senator JAVITS. For myself I say that I would hope that the long-range implications of defense, as indicated in the budget, and the tentative decision you have taken to incorporate it in a 5-year plan, would be disclosed to the congressional committees.

For myself, I would say we suffer from a very serious shortage of dependable defense information.

I knew a lot more about what you were doing when I was a lieutenant colonel in the Chemical Corps than I do now as Senator. I think I am at least as good a security risk.

I would like to ask one other question if I may while we are pursuing this.

That is: How is the contribution—which may also be increased or changed—by our allies evaluated in terms of the American defense budget, let us say over a 5-year period? Where do you get that estimate as to what Germany can do, what France, Britain, and other powers can do on perhaps an ascending scale?

Mr. HITCH. Well, sir, the only place that this information is fully evaluated in relation to U.S. defense programs is the National Security Council in which the Department of State participates. What our allies can do, we get through the machinery of such organizations as NATO, SEATO, et cetera, and through our military assistance advisory groups.

Senator JAVITS. Does it get them, and is it a part of the 5-year swing?

Mr. HITCH. We hope to make this an integral part of the 5-year planning-programming procedure. It is going to be a hard one to do, as you have implied, but some progress has already been made.

I do not believe we will make a great deal of progress with it in connection with this first review, but it is certainly in our mind to include it eventually as an integral part of the system.

Senator JAVITS. Do you know whether our Government tries to get any correlative commitments from our allies which will enable us to plan dependably over that kind of 5-year period?

Mr. HITCH. Well, sir, I think this question is one I might better leave to the Secretary who will appear before you next month.

Senator JAVITS. Is 5 years the optimum forecast period for defense?

Mr. HITCH. I am not sure that it is, sir. It was a number plucked from the air. I think it is clear that in general, 10 years is too long. There are just too many programs that you can't extend that far. Everything becomes too hazy.

I think it is very clear that 2 years is too short. Five years is somewhere in between, but I am not sure that it is exactly right. We are going to have to experiment.

Senator JAVITS. But this is the figure you are using?

Mr. HITCH. Five years is the figure we are using now; yes, sir.

Senator JAVITS. Thank you very much.

Senator JACKSON. Senator Javits, with respect to our NATO allies, I wanted to point out that we have been trying to get longer term commitments, as you know and I know, from our work with the NATO Parliamentarians Conference. This has not been easy.

Mr. Hitch, I assume your boss, Secretary McNamara, is trying to get some commitments right now while he is in Europe.

Mr. HITCH. I would not be surprised.

Senator JAVITS. I think that the budgetary process can help us to get them. That was the point of my question.

If we are now embarking on this kind of approach and we will endeavor to include the Congress in that operation, I think that we may find that we may get further because we are adopting a budgetary approach in which we need certainty and we have legitimate reason to ask for it.

Senator JACKSON. I agree with you. I think this will be helpful in putting our friends on the spot to do something comparable so that we can make our plans and meet our commitments.

Senator MUSKIE, we are sorry you were detained.

Senator MUSKIE. I am sorry, too, Mr. Chairman. I hesitate to ask any questions lest I duplicate some that have already been asked or cover ground which has already been covered.

If I do that, I hope that Mr. Hitch will so inform me so that we will not waste any time.

I have had the opportunity of reading your statement this morning, Mr. Hitch, and it seems to me that what you are advocating here is a functional budget very similar to that advocated by General Taylor before the committee last year. Is that not so?

Mr. HITCH. Yes, sir; that is true with respect to the programing aspects.

Senator MUSKIE. Do you think this kind of approach would be more effective if the budget estimates were prepared by and defended by the chiefs of functional commands?

Mr. HITCH. Well, sir, this is a matter that we have already referred to a little in our discussions. The operating commands do have an input. The operating commands do prepare a statement of their requirements over a number of years and they present these requirements to the Joint Chiefs who in turn advise the Secretary.

We could have the Chiefs of the operating commands participate very directly in the programing and budgeting procedures, but that has not been done in the past and is not currently proposed.

Senator MUSKIE. Their participation, then, is at the very beginning or near the beginning of the budget process.

Mr. HITCH. Yes, in the planning phase.

Senator MUSKIE. They do not retain responsibility for their proposals as they move along in the budgetary process?

Mr. HITCH. They retain a great interest in what happens to them.

Senator MUSKIE. Simply as bystanders, not as participants?

Mr. HITCH. Yes, essentially as bystanders, although I am sure if anyone of the unified or designated commanders felt very strongly about some decision, he would make this known.

Senator MUSKIE. Would another description of this approach be the mission approach?

Mr. HITCH. Yes, sir; it is a mission approach.

Senator MUSKIE. This almost argues that there is organizational validity to this budget approach. It seems to me this almost argues for the reorganization of the military forces along the same line so that you will have a consistent approach operationally as well as budget-wise.

Mr. HITCH. Well, sir, perhaps; I am not sure. There is a relation between the way you are organized and the way you prepare your programs and budgets, but as I have indicated before, they do not have to be perfectly parallel. You can be organized in one way and you can prepare your programs and budgets in a somewhat different way. I see no reason why we can't retain our present organization and do our programing and budgeting in the way I outlined this morning. However, it may add something to the argument for changing the organization in the direction of greater responsibility for specified and unified commands.

Senator MUSKIE. Now, the recommendations of the functional chiefs would be modified presumably, drastically modified in some cases, as the budget process moves on?

Mr. HITCH. Undoubtedly.

Senator MUSKIE. Would these changes be subjected to review or to evaluation by the chiefs of the functional commands along the budget process?

Mr. HITCH. They would certainly be informed and would have an opportunity to make their views known, yes, sir.

Senator MUSKIE. The ultimate decision would be made by others than the chiefs of the functional commands?

Mr. HITCH. The ultimate decision has to be made by the Secretary of Defense, by the President, and by the Congress.

The requests that come in from the Services and from the functional commands always have, and I expect always will, add up to very substantially more than the Secretary, the President, and the Congress are willing to give in total. They are prepared on essentially a unilateral basis and must be brought into balance from a Defense-wide point of view.

Therefore, the ultimate responsibility has to lie somewhere else.

Senator MUSKIE. Is it realistic to hope or to expect that this approach, if it is a wise one, and it makes a great deal of sense, that this approach will retain its integrity and the true maximum effectiveness with the present structure of the Department of Defense and the three Services?

Mr. HITCH. Well, sir, I hope we can be assured of integrity. We are doing a good many things to insure, for example, the integrity of the cost estimates.

There are problems with our present form of organization, but I am sure there would be problems with any form of organization.

The Department of Defense is a tremendous business. It is so large that it has to be decentralized in some way in order to manage it properly. The present way of decentralizing or organizing it may not be ideal, but it is not absolutely clear to me as yet that there is some other way that would be significantly better.

I am not an expert on organization. I am not really prepared today to address myself to the overall problems of the organization of the Department of Defense. I expect that whatever we are able to do here will be some distance from the ideal.

Senator MUSKIE. What concerns me here is that a budget proposal is developed on a mission basis, initially by the chiefs of the functional commands, and the purpose or concept behind it is that the country shall have at its immediate beck and call, if the budget process results in the proper military posture, a wide variety of military tools needed to meet the wide variety of challenges that confront us.

If this concept originates at the functional command level, who is there above them who will keep it constantly in mind and insure that this is the thing that finally emerges from the whole process?

Mr. HITCH. I think the major answer, sir, is the Joint Chiefs of Staff to whom the functional commands report and to whom they are operationally responsible.

Senator MUSKIE. And you have no fears in that respect?

Mr. HITCH. There are problems. There always will be.

Senator MUSKIE. You do not think the effectiveness of the missions is likely to be distorted depending on the ability that either of the three services have in advocating their own function in the mission.

Mr. HITCH. Well, sir, there is a Chairman of the Joint Chiefs and there are the Joint Chiefs who, as a corporate body, are involved in these procedures. Many of these decisions involve development and procurement that cuts across the responsibilities of two or more of the functional commanders.

This is not something that is built up exclusively from the requirements of the functional commanders. There are a lot of inputs that do not come from them at all. In fact, in general, the functional commanders do not have a capability to cost out the total requirements that they say they have for several years in advance. The capability for doing this costing exists in the services, within their headquarters and logistics commands.

Senator MUSKIE. The arguing will be done higher than the functional command chief. I am wondering this: How is the debate over military issues going to differ under this system than under the old system? Is the Chief of Naval Operations going to take a different stand now as he argues for the part that the Navy will play in a given program package than he did when he was simply arguing for the Navy?

Mr. HITCH. I think that one of the differences that we did discuss earlier is that when the Navy has a new program, for example, in the strategic offensive area, this program will be competing in the review process with other programs in the strategic area which all will be looked at together in the review process. It will not be competing with other parts of the Navy program in other packages. In the past it has so competed in the mind of the Chief of Naval Operations.

I think this will make a rather fundamental difference in the way in which programs are reviewed and in the attitude of the service chiefs toward new programs.

Senator MUSKIE. Forgetting now about what impact tradition and custom and the old ways of doing things have upon our method of organizing our efforts for the future, as a practical matter could you

not devise this kind of budget or implement this kind of budget approach much more effectively if you abolished the distinction among the services?

I am just asking this as a devil's advocate in order to pinpoint what is troubling me on your approach.

Mr. HITCH. The existence of the services, as I say, raises problems, but I expect any other form of organization would also have its problems.

Senator MUSKIE. Perhaps fewer.

Mr. HITCH. I cannot compare something with an alternative that hasn't been clearly defined.

Senator MUSKIE. I am not sure if we adopted that philosophy we would ever make any progress to more efficient organization.

Mr. HITCH. I am not suggesting that. I am just not prepared to address myself this morning to the larger question of the reorganization of the Defense Department.

I think it can be regarded as a somewhat separate but related problem. We can do the programming job within the present organization.

Senator JACKSON. I think earlier Mr. Hitch made a point in response to questions I asked, Senator Muskie, that the approach that is being made here will undoubtedly have some organizational implications.

I take it that that question is for the Secretary of Defense to decide.

Mr. HITCH. Yes, sir.

Senator JACKSON. I think he concedes there may be some organizational implications involved in connection with this approach in formulating the budget.

Is that correct?

Mr. HITCH. Yes, sir; that is correct. In general, the Secretary said, when he took the job, that he wanted to wait at least a year before he made up his mind about the organizational problems of the Department. I don't want to anticipate him.

Senator JACKSON. As a matter of fact, in connection with unified commands, virtually all of our combatant forces are now organized into unified or specified commands. Is that not correct?

Mr. HITCH. Yes, sir; that is right.

Senator JACKSON. This has been developing gradually within the powers that the Congress has given to the Secretary of Defense.

As I understand it, in the case of the unified commands, the commander has command over elements of all the services in almost every instance.

Senator MUSKIE. That is reassuring that there will be no organizational problems in this implementation of this budget approach.

Senator JACKSON. I think there will be some interesting organizational problems.

Mr. HITCH. I simply said that I thought we could do it without organizational change.

Senator MUSKIE. I have one or two other questions.

Does this new approach have any bearing upon the Budget Bureau's relationship to the defense budget and to its responsibilities to the President?

Mr. HITCH. I think it will help the Bureau of the Budget. We have kept them fully informed as we have developed these program

package procedures. We have discussed all aspects of the matter with them in detail. I think it will help the Bureau of the Budget because they also are very interested in what is likely to be asked for next year and the year after.

In the past, they have had to make projections pretty much on their own, so I think it will be very useful to them.

Senator MUSKIE. In other words, the Bureau of the Budget itself will be committed to long periods?

Mr. HITCH. The Bureau of the Budget is very much interested in developing something similar to our long-range program projections for the Government as a whole, but it would not be committed to a budget for more than 1 year.

Senator MUSKIE. When we get this long-range planning for military and foreign aid, it seems to me we can look forward to the day when Congress will convene only every 5 years.

Senator JACKSON. We will still be engaged in a thing called review.

Mr. HITCH. Defense intends to continue to ask for annual budgets.

Senator MUSKIE. Thank you, Mr. Chairman.

Senator JACKSON. At this time I would like to turn to Mr. Robert Tufts, chief consultant of the committee, to ask some questions.

Mr. TURFS. Mr. Hitch, I would like to return to the question of the budgetary guidelines.

I take it that you have removed them from the process this year because you have found in the past imposition of budgetary ceilings or guidelines have in some way adversely affected defense planning.

Will you comment on that?

Mr. HITCH. No, sir; I think this is a substitute for the dollar ceilings that were imposed in the past. We are substituting longer range program decisions for the dollar ceilings.

In the past there have not been these longer range program decisions to serve as a guide. In their absence it is hard to see how limits could be established except as total dollar ceilings for the services, since we are organized by service.

I am not criticizing anyone for having imposed them in the past, but I think we have a better substitute here.

Senator JAVITS. Do you not think it is going to be necessary to do something about the congressional authority here? If you are going to bring programs to the Appropriations Committee rather than to the Armed Services Committees of the House and Senate, do you not think that we are going to have to do something about our congressional review of your programs in a committee sense in order to keep abreast of a very much more profound concept than has heretofore been the province of the Appropriations Committee.

Will we not find that some joint committees of Defense will be represented in a number of our committees because you are going to be crossing very sharply many committee lines.

I can conceive of where you would be involving committees of which I am a member which have nothing to do with the appropriations process.

Mr. HITCH. More so than in the past?

Senator JAVITS. Yes, because you are coming now with a concept, not with essentially money in appropriation form of organization.

You are coming now with the basic program concept. When Congress approves your budget it approves the concept.

Mr. HITCH. This will be a problem mainly for the Congress. Of course, we will be submitting our programs to the Armed Services Committees as well. We have to obtain from the Armed Services Committees authorization for appropriations for procurement of missiles, aircraft, and naval vessels, and for military construction that are required by the programs. This means that we will have to justify those things in terms of the total programs.

Senator JACKSON. Senator Javits, if I could interrupt right there, I think the question you have raised is a very important one. When you put the entire program of national security together as it must be sooner or later, in a package which will go beyond the Department of Defense and get into the other Departments—that is, if we are dealing in terms of long-range requirements, then it seems to me there may develop the need on the Hill for, shall we say, a committee on national security requirements.

Now, I would like to say that in connection with what Mr. Hitch is doing, within the Department of Defense there will be no problem in the Armed Services Committee because we deal with all three services.

With the establishment of the Department of Defense, the old separate committees, of course, were abolished: The military affairs and naval affairs were made into the one committee.

There is no problem here. There will be a problem, I think, in the House Appropriations Committee where they divide their subcommittees up, I believe, and deal with Army, Navy, and Air Force separately.

Mr. HITCH. No, sir; now there is a Defense Subcommittee which deals with all of them.

Senator JACKSON. They are sitting as one panel?

Mr. HITCH. Yes, sir. There is no problem.

Senator JAVITS. What I had in mind, Mr. Chairman, is that if we are going to be saying something about this matter, as well as raising the problems which are inherent in this new approach of the Department, we should also revise the organizational structure of the Congress to deal with them.

Senator JACKSON. I agree with you completely. When the administration presents the kind of package up here that will not fit our committee system, then I think we will move in response. It usually is initiated from the Executive side, or at least, it has been in the past, and we will be forced to do something about our committee structure.

Mr. Tufts?

Mr. TURTS. Mr. Hitch, I have read your testimony and listened to it this morning. It strikes me that a great many features of this process closely resemble past practices. The services will prepare the individual budgets for the individual program elements more or less as in the past.

I do see a new thing in the removal of the budget ceiling or guideline in the earliest part of the process, but I wonder if I could ask a very simple, probably a very difficult question:

How do you basically view the changes that you are making in the defense budget? Are they primarily extensions of, or refinements of, past practices, or is it really something quite different? If it is quite different, could you indicate what you think this difference really is?

Mr. HITCH. There are two essential differences it seems to me. One-

is that the costs are assembled by programs instead of only by activities and organizational units in appropriation accounts. This has never been done systematically in the past.

The other is that the costs are assembled by programs 5 or 6 years in advance instead of only 1 year in advance.

These, I would say, are the two fundamental differences. There are some other differences, too. For example, the review of these programs will be by mission packages rather than by services.

I think this last is a fairly fundamental change, but the two most important are that we are assembling our costs by programs, and that we are doing it over a 5-year period.

Mr. Tufts. Are you saying in effect then that the Defense budget in the past has not really told us what we are getting for our money in terms of strategic deterrence and continental defense and so on?

Mr. Hitch. No, sir; you could not break it down in that way with any degree of accuracy.

Mr. Tufts. You could not?

Mr. Hitch. You could not.

Mr. Tufts. In that case, if that is really so, I am genuinely puzzled about it. We have had some pretty able Secretaries of Defense in the past and how did they make their decisions? Did they simply not have this kind of information?

Mr. Hitch. One never has as good information or as complete information as one wants in making decisions.

I think in some cases the answer is "Yes," they just did not have the information they ought to have had, in the form in which they really needed it.

Another part of the answer is that whenever a major decision was pending there would be an ad hoc effort to pull together the information on a relevant basis for that particular decision.

In my opinion, this is not a very satisfactory way of doing it. It is always difficult to pull this information together at the last moment when your information system is not designed to give that kind of information. Further, it is very difficult to make the information that you get from one service comparable with the information that you get from another service. And, there is no cumulative learning process if you are continuously doing these things on an ad hoc basis for particular decisions.

What we are attempting to do with the program package approach is to provide this information systematically and comprehensively. In the past it has been provided, from time to time, on the basis of special requirements.

Mr. Tufts. A student of the Presidency once remarked that the real question about a budgetary process is whether a great debate takes place over the really significant issues.

It seems to me, as I have listened to you this morning, that the participants in the debate, at any rate, will be much the same people who have participated in the past.

I am a little puzzled, then, as to why you think the outcome of the debate will be different if the same parties are involved, with the same service loyalties and so on.

Why should the results be much different? I do understand the information part: They will have better information.

Mr. HITCH. First, they will have better information, and second, the discussions and decisions will be focused on military missions. The decisions that have to be made on the program elements associated with each of these missions will be laid out in relation to each other.

Senator MUSKIE. May I interrupt at that point?

Senator JACKSON. Senator Muskier.

Senator MUSKIE. Are you saying that our experience previously has been that there has been no focusing of attention on missions as defense budgets have been prepared?

Mr. HITCH. No, sir; I am not saying that. I am saying that a great many individual but very important program or weapon system decisions have been made in the past during the period of budgetary review, and that budgetary review has not been focused on missions.

Certainly many of the specific problems associated with a mission have been looked at in the past and decisions have been made on a mission basis in the past.

But many of the decisions, as a practical matter, many of the program decisions affecting missions, have been made during this annual hectic budgetary review. That review has not been mission focused.

Senator MUSKIE. But at some point in the budget process before, at least a beginning was made at focusing our whole defense effort on the mission concept?

Mr. HITCH. The budget is arranged by "Military personnel," "Operation and maintenance," "Procurement," "Research and development," and so on.

Senator MUSKIE. There might be a question as to whether or not the missions are the proper ones, the ones that are necessary in order to develop an effective military posture, but it seems inconceivable to me that the full defense budget is not geared to the mission concept. And if it were, then I am puzzled as to where the difference is.

Now, is it a matter of procedure? Is it a matter of the organization of the budget process?

There will be no organizational change you have made clear.

Mr. HITCH. That is correct, we do not anticipate organizational changes at this time. As for the budget process, in the past, it simply was not focused on the mission concept. It was not organized in that way.

Senator MUSKIE. What was the focus—the requirements of the individual services without relationship to each other?

Mr. HITCH. It was focused on the requirements of the individual services by appropriation title and these titles were things like "Military personnel," "Operation and maintenance," "Research and development," "Procurement," and "Military construction." These were the ways in which the budget was organized, and presented, and defended.

You could, by making a special study, pull out approximately the cost implications of some mission or task. But this has not been done systematically and the budget and other information systems were just not geared to provide the information in that form.

Senator MUSKIE. I can understand the difficulty of pulling out the mission concept from the old appropriation method, but it seemed to me inevitable that at least the information went into the budget on the basis of some mission concept.

It might be difficult to see it once you had put it in there because of the complexity and outmoded budget forms you were dealing with, but it seems to me the material must have been fed into the mission complex.

Would you say that is not so?

Mr. HITCH. I would say you have to define very carefully what you meant before I could answer that question, yes, or no.

It certainly is true that the proposals from the services for procurement of a certain type of equipment were made with the accomplishment of some military mission in mind.

Senator MUSKIE. I am talking about mission in the same sense you are in your statement.

Mr. HITCH. But all of the procurement proposals tied to that mission were not pulled out separately so that they could be looked at as a whole. Further, they were not pulled out and shown in their relation to the construction proposals, to the military personnel proposals, and to the operations and maintenance proposals that were all related to the same mission.

Senator MUSKIE. In your plan you still have an Army budget presented, a Navy budget, and an Air Force budget.

Am I wrong there?

Mr. HITCH. We are going to present the budget in a number of ways. We are going to present it by the present appropriation categories, by the old budget titles, each of which is limited to a specific service. In addition, we will also present it by program package.

Senator MUSKIE. Cutting across the service lines?

Mr. HITCH. Cutting across the service lines, but by program and mission.

Senator JACKSON. This is sort of by way of introduction to this approach, is it not?

Mr. HITCH. Yes, it is.

Senator JACKSON. Maybe later you will make a move forward to cut down some of the service identifications in some of the areas.

Mr. HITCH. That is possible. I might say that in presenting the first set of President Kennedy's amendments, and indeed, the second set of President Kennedy's amendments, to the fiscal year 1962 budget, we attempted to present the budget in both manners.

The Secretary of Defense appeared before the Appropriations Committees and presented the amendments in program terms and I subsequently appeared and translated these program additions into the appropriation categories.

Senator JACKSON. Mr. Tufts?

Mr. TUFTS. Would it be a correct implication from your view of your new approach, Mr. Hitch, to say that you would expect the role of the Secretary to be somewhat larger in these program decisions in the future than it has been in the past?

Mr. HITCH. Yes, sir; I think the role of the Secretary will be somewhat larger in the future. Program decisions will be required in the future if this system is to work, which have not systematically been made in the past.

They are decisions of the sort which can only be made by the Secretary and, therefore, the role of the Secretary and of the Secretary's advisers will be greater. There will be, for the first time in the

Department a comprehensive set of programs approved by the Secretary.

To get such a set of programs we need Secretarial decisions. In the past, we have not had such a set of programs and therefore have not had the Secretarial decisions.

Mr. Tufts. May I turn to the question of Defense relations with the Budget Bureau?

As I understand it, in the past, mainly for reasons of the technical complexity of the defense budget and the length of time required for its preparation, representatives of the Bureau have cooperated rather closely with your Office in the preparation of the defense budget?

Mr. Hitch. That is correct.

Mr. Tufts. Has that been changed in any way?

Mr. Hitch. No, we expect to continue this joint review with the Bureau of the Budget.

Mr. Tufts. In your judgment, does this practice, which is continuing, have any bearing on the independence of the Bureau's view, on its ability to advise the President, to help inform the President about the factors which he should bear in mind in his review of the defense budget?

As I understand it, the notion has been that the Bureau should preserve an arm's length relationship to the departments and agencies in the executive branch. One wonders whether there is quite this arm's length relationship between the Bureau and the Defense because of the close involvement of the Bureau personnel in the defense budget preparation.

Does this interfere in any way with the Bureau's responsibility at present?

Mr. Hitch. In theory, I suppose it might. I would say from my limited experience that the BOB seems to be able to maintain an independent point of view. I expect that ideally it would be better to have successive budget reviews, first within the Department, then by the Bureau. However, the amount of business to be done, and quantity of review that is required, is such that we just do not see how we can carry out completely separate reviews and fit the budget cycle into an annual timetable without adding a couple more months to the year.

Mr. Tufts. Do the Bureau people participate in all of the three phases of your program: requirement phase, programing phase, and budget?

Mr. Hitch. No, sir, I am referring to the budget phase.

Mr. Tufts. They do not participate in the first two.

Mr. Hitch. They are interested and we keep them informed, of course, but I do not anticipate that they will be regularly involved in the review during the requirements and program phase.

Mr. Tufts. Insofar as you have succeeded in clearly separating these phases, the Bureau's participation will be limited to the final phase, the budgetary phase?

Mr. Hitch. Yes, sir, it will. Of course, as I have pointed out, after this year we envisage the requirements and programing phases as being continuous year-round operations. They will not be concentrated in any particular month or two of the year.

Mr. TUFTS. Now, at some point in this process, a budget limit has to be imposed. In your concept of budget preparation, where is the budget limit introduced, at what point and by whom?

Mr. HITCH. I do not think you have to impose a dollar ceiling at the service level. Certainly at some point the Secretary of Defense and the President and the Director of the Bureau of the Budget have to decide what the limit is for the Department of Defense as a whole.

As I see it, this is something that can be narrowed progressively as we go through this procedure. You can begin with some idea about the likely limit for the Defense Department as a whole in June, say. As you look over the program and decide what the utility of new programs will be, you can get a better fix on the best size of the budget as you proceed. By the time of the budget review proper, you will have a very definite idea as to the budget implications of the programs that you have approved. But I think it is a question of getting a better fix on overall requirements as you move ahead. You can do this if you know approximately how much benefit you could derive from new programs that are proposed.

Senator MUSKIE. Are you not, in effect, going to have two budgets under this proposal, the traditional one that is broken down according to three services and then this new one which in some way the committees of Congress are going to have to relate to each other?

Mr. HITCH. It will be one budget, sir. There will be two ways in which you can look at it, but we will reconcile them.

Senator MUSKIE. Who is going to be the program package commander? Each of these missions is going to have its own budget. Who is going to be the commander of that budget package?

Mr. HITCH. I do not know that each package will have a commander. The Secretary will be the Secretary for each program package as a whole.

Senator MUSKIE. You will have a general but no troops.

Senator JACKSON. There will be a lot of troops there. I have never been to a hearing yet that they did not have troops.

Mr. TUFTS. I suppose it is rather early to tell because you are only part way down in your list of submissions of the packages, but how is this working? Are the departments submitting new proposals for forces greatly in excess of what can be provided without a substantial increase in the budget?

Mr. HITCH. I think it is safe to predict that they will, yes, sir, and the evidence so far bears this out.

Mr. TUFTS. Then the process from here on out is to trim this down?

Mr. HITCH. Not exclusively. That is an important and arduous part of the job. But the real task is to insure that each program package provides the greatest overall capability for the resources expended.

It may be when you trim some things down that you have to put something in for balance, for example.

Mr. TUFTS. At what point in this paring down process to get to the eventual budget limit for Defense as a whole do you expect the Department to seek advice from outside the Department, from the National Security Council or from the President or Budget Bureau? How far does this go in the Department of Defense before you seek outside guidance?

Mr. HITCH. I think this is a question that we had better leave for the Secretary to answer in the hearing next month. I know he has ideas

about this but I think it would be more appropriate for him to address himself to it.

Mr. TUFTS. I was struck by the statement in your testimony that each Department and the Joint Chiefs of Staff as a corporate group is receiving copies of all the materials submitted by each Department. Now, is each Department and the Joint Chiefs as a corporate body commenting on each proposal?

Mr. HITCH. Yes, sir, each will be given ample opportunity to comment and explain their judgment on the overall package.

Mr. TUFTS. In other words, Navy will comment on SAC and the Air Force on POLARIS and so on?

Mr. HITCH. They will be given every opportunity to do so and I think this is entirely proper. I think each of the services ought to comment on the program as a whole.

It is certainly of interest to the Army, for example, how much we devote to strategic offensive forces even though they may have no element in the strategic offensive package.

Senator JACKSON. Has this approach been followed in the past, do you know, where each could comment and information was supplied so that they could comment?

Mr. HITCH. I really cannot answer that question very authoritatively. Perhaps you could get a better answer from Mr. McNeil tomorrow.

Senator JACKSON. What I gather you are trying to do is to take this budget document I have here—and, incidentally, although this is the whole budget, and Defense is over a half of the total, Defense is only one-eighth of the pages in here. It seems to me that you are really trying to take this document and make it possible for our military and civilian leaders to understand what is available to them in working out a long-range plan for national security.

Mr. HITCH. That is a good way to summarize it, Mr. Chairman.

Senator JACKSON. I want to commend you, Mr. Hitch, on what you are trying to do because those of us who have looked at budgets in general find them complicated.

I think when you get into the Defense budget it is even more complicated because in the committees we have been getting these programs in pieces.

What you are trying to do is to make it possible to put these pieces together in different shapes and forms to meet the requirements of your country as determined by the President of the United States in the last analysis?

Mr. HITCH. That is a very good way of stating it.

Senator JACKSON. I certainly feel that what you are trying to do is a most important undertaking. I know there is no simple solution to this problem.

This may be a premature question. I suppose you may not know the answer right now. But what is the reaction of the services to this approach so far?

Mr. HITCH. I find that a very difficult question to answer at this time.

Senator JACKSON. Could you answer it better when they know how much money they will get?

Mr. HITCH. I expect that I will have a better fix on it when some of the decisions are made under the system.

I must say, though, that I have had the fullest cooperation from the services. I have no complaint whatever on that score. We have been working very closely with them in connection with both the longer range programming procedures and with all of these reviews that we have had to make, that is, the reviews and rereviews of the fiscal year 1962 budget. We have had nothing but full cooperation from the services.

Senator JACKSON. I have one last question. I have always been concerned about the amount of time consumed in preparing budgets. In other words, responsible officers who have enormous responsibilities are often tied up, working in effect on three budgets at one time. Do you hope to be able to at least cut down on some of the time-consuming tasks and to make it possible not only from the standpoint of saving manpower but to make the budgets more current?

Mr. HITCH. Yes, sir, this we do hope to do.

Senator JACKSON. You agree that at least there should be a better solution?

Mr. HITCH. Yes, as I said in my statement we have the hope that once we get this programming procedure rolling we will be able to pull together rather quickly in the fall of the year the financial budget for the next fiscal year.

Senator JACKSON. And cut down the long leadtime?

Mr. HITCH. And cut down the long leadtime.

Senator JACKSON. We find in the Congress, Mr. Hitch, that we spend hours and hours authorizing and appropriating funds. It is a time-consuming job.

I know from my own personal experience that after we have taken detailed testimony and have gone into a matter very carefully, we have been advised that these programs are urgent, only to find by the time the process is complete that some programs have already been canceled. Not that our time alone is important but it is important for all those who participate. I mean we have the top officers up here. It seems to me if you can achieve your objective of keeping the requirements quite current, that you will save a lot in the way of our country's resources, both material and human.

Mr. HITCH. I think we can cut down on leadtime by keeping the programs current.

Senator JACKSON. This is not to say that there are not going to be changes.

Mr. HITCH. No, sir, there will be changes.

Senator JACKSON. There will be changes continuously. Research and development programs will always play hob with the best-laid plans, will they not?

Mr. HITCH. That is right.

Senator JACKSON. Senator Muskie, do you have any further questions?

Senator MUSKIE. No further questions. I want to say I appreciate the opportunity to participate in this hearing. I want to compliment the Department of Defense and the administration upon this attempt to find a more effective way to make important decisions that involve the development of our defense posture.

Mr. HITCH. Thank you.

Senator JACKSON. We are very happy to have the minority counsel Mr. Kroger, here, this morning. He has deferred any questions at this hearing for another occasion.

On behalf of the committee, Secretary Hitch, we want to express again our appreciation for your coming here and the helpful testimony you have given us today.

Mr. HITCH. Thank you, Mr. Chairman.

(Whereupon, at 12:25 p.m., the subcommittee recessed, to reconvene at 10 a.m., Tuesday, July 25, 1961.)

ATTACHMENT A

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 13, 1961.

Memorandum for—

The Assistant Secretary of the Army (FM).

The Assistant Secretary of the Navy (FM).

The Assistant Secretary of the Air Force (FM).

Attached is the first in a series of instructions providing guidance to the military Departments for the development and submission of program packages to my office during the programing phase of the fiscal year 1963 budgetary process. This initial set contains general instructions applying to all Departments, along with the list of program elements and packages and the time schedule for submitting the various program packages.

Additional instructions will be provided in the near future. These will be special instructions applicable to the individual Departments including specific formats for submission purposes. Certain initial alternative program element configurations of particular interest to the Secretary of Defense will also be set forth.

I fully realize the magnitude of the task over the next few months but am confident that the immediate objectives of the programing office can be met through the concerted efforts of all concerned. In every way possible, personnel of the programing office will work with departmental personnel to assist in preparing for development of the program elements and packages to be submitted.

CHARLES J. HITCH.

INSTRUCTION NUMBER I. GENERAL INSTRUCTIONS

The fiscal year 1963 budgetary process will be divided into three major phases: a requirements phase (May and June 1961), a programing phase (July and August 1961), and a budgetary phase thereafter. During the requirements and programing phases, the Secretary of Defense, with his military advisers and his staff, will examine a range of alternative programs and make decisions that will form the basis for guidance to the services on the preparation of the fiscal year 1963 budget. During the programing phase, attention will be focused on choice from among alternative programs to achieve the national security objectives outlined in the basic national security policy paper. For this purpose, cost and effectiveness comparisons will be made, for the most part using statistical cost estimates and factors rather than the more detailed information supporting the final budget submission.

The purpose of this memorandum is to provide guidance regarding the submission of program element packages to OSD during the period July 1–August 31, 1961.

PROGRAM ELEMENTS AND PROGRAM PACKAGES

The program element will be the basic unit of submission. A program element is an integrated activity—a combination of equipment, men, facilities, and supplies—whose effectiveness can, in some way, be related to national security policy objectives. For purposes of summarization, the program elements have been combined into a number of program packages. The program packages are compilations of related program elements. For example, the "Central War Offensive Forces" category is a program package. The B-52, ATLAS, and FBM submarine (POLARIS) weapon systems are examples of program elements within the Central War Offensive Forces program package.

A listing of program packages and their program element content is contained in appendix I (attachment B).

The departments will submit program packages to the OASD (Comptroller) in accordance with the schedule outlined. Twenty copies of each program element and package will be submitted on standard 8- by 10½-inch sheets.

BASIS FOR DEVELOPING THE PROGRAM

Element submissions

The basic OSD-required submission for a program element will be the projected major military forces contained in the JCS answer to the Secretary of Defense's project No. 3 (the so-called Wheeler forces). The Departments will be required to work out the cost implications of these forces on a program element basis assuming no new major procurement and R. & D. decisions over and above those already made in the fiscal year 1962 and prior years' budget deliberations, and assuming that the forces involved would be deployed and operated as currently envisioned. In this context the phrase, "decisions already made," is defined to include those definitely implied, though not technically authorized, in fiscal year 1962 and prior years' deliberations. For example, in the fiscal year 1962 process, several additional POLARIS submarines were authorized for procurement, but the related missiles were not specifically authorized because of the shorter lead-time on the missiles. In this case, and others similar to it, the procurement decision for the missiles is an implied one (from that for the submarines) and hence the cost of the missiles would be included in the "spendout" costing of the Wheeler forces. Military personnel for fiscal year 1962 are to be considered as a maximum only and not part of the force structure.

The costing of the Wheeler forces will be done in terms of obligational authority and expenditures for fiscal years 1962-64. (Costs cannot be developed for later time periods, because the Wheeler force structures are projected out only to fiscal year 1965.) These costs will be submitted according to the program element submission schedule referred to above, except that a total for fiscal year 1962, identified by program element will be submitted to OSD by June 12, 1961. This June 12 submission may be preliminary in nature, to be refined later as submissions are made during the period June-September.

In addition to the spendout costing of the Wheeler forces, the Departments will be required to make departmental submissions. The basis for these submissions will be as follows.

The "Basic National Security Policy" (BNSP) paper will be circulated in the near future. Based on this, and other guidance provided by the Secretary of Defense, the military Departments will develop force structure projections (fiscal year 1961-70), representing departmental proposals for attaining the national objectives. These force structures will serve as the framework for developing departmental proposals of program elements to the Office of Assistant Secretary of Defense (Comptroller), and will provide the context in which the time-phased resource implications of individual program elements can be estimated. The Departments are encouraged to submit alternative configurations of program elements where deemed desirable.

Additionally, during both the requirements phase and the programing phase, the Secretary of Defense will want to consider alternatives within particular program elements. For example, the Secretary may want to consider a different force size, development program, operational concept, etc. Some initial alternatives will be issued in the immediate future. When the Secretary desires only alternatives during the requirements or programing phases, they will be submitted to the Departments to be costed. The appropriate Department will consider each alternative as a variation to the departmental proposed program element submission, work out the costs thereof, and, where possible, point out the possible impact on other program elements.

CONTENT AND FORM OF THE SUBMISSION FOR A PROGRAM ELEMENT

There will be two components to the submission for each program element: a program element description component, and a cost component.

The program element description component will contain sufficient descriptive information to provide basis for an understanding of what has been costed in the cost component of the program element submission. Discussion of the data desired from the Departments will be contained in the special instructions for each Department.

The cost component will be submitted in tabular form indicating cost estimates by budget appropriation account for each fiscal year. Also, sufficient detail will be provided so that: (1) cost estimates for a program element may be approximately segregated, where applicable, into three broad categories—R. & D., investment, and operating cost; and (2) cost estimates for major equipment items (e.g., ships, tanks, aircraft, missiles, etc.) may be identified. Specific format will be discussed in more detail in the special instructions for each of the Departments.

The three broad categories referred to above are defined as follows:

Research and development.—All costs associated with developing a new capability to the point where it is ready for introduction into operational use. Such costs include not only the equipment (prototypes, test vehicles, etc.) required in a development program, but also the related facilities, supply, and personnel costs, where applicable.

Investment.—The one-time or initial outlays required beyond the development phase to introduce a new capability into operational use (including initial training, initial stockloads of spares and supplies, etc.).

Operating.—The recurring costs required to maintain and operate the capability year by year throughout its projected life in operational use.

SUMMARY SUBMISSIONS

In addition to the program element submissions discussed above, the Departments will develop summary program package submissions. The format for these submissions will be as follows: fiscal years (1962–67) in the column headings; program elements in the stub. Summaries will be submitted for: (1) the OSD basic request (the “spendout costing” of the Wheeler forces); and (2) the departmental proposals.

PROGRAMING/COSTING TIME HORIZON

The time horizon specified for developing the program element packages is as follows:

	Force structure, ¹ fiscal year 1961	Cost estimates, fiscal year 1962
Wheeler forces.....	65	64
All other.....	70	67

¹ Yearend position.

COSTING CONCEPTS

Program element costs will be developed in terms of total obligational authority and expenditures. All costs will be presented in terms of 1961 dollars.

Costs for each program element will reflect the total costs that may reasonably be identified to that program element. The major criterion for this purpose is as follows: Is a particular item of support cost likely to vary with changes in the program element under consideration? If so, identify the cost to the program element. If not, do not identify the cost to the program element.

MOBILIZATION RESERVES

Each service will cost mobilization materiel procurement objectives in support of the projected force structure through fiscal year 1967. War readiness materiel or specific prepositioned deterrent objectives, not to exceed 90 days, will be costed to applicable force/weapon system program elements and separately identified. Peacetime allowances will be treated as part of the war readiness materiel or prepositioned deterrent. General mobilization reserve objectives (other than WRM and prepositioned deterrent) will be costed by major items under the servicewide support program package.

TREATMENT OF MATS AND MSTs

The general rules for treatment of MATS and MSTs are as follows:

(1) “Funded costs” (e.g., cost of new procurement and military personnel cost) will be included in the MATS and MSTs packages.

(2) "Tariff costs" will be included in the various departmental program elements using the services of MATS and MSTs. However, a total of MATS and MSTs tariff charges (separately identified) for each Department will be submitted as a memorandum item when the Departments submit their respective servicewide support program packages.

RESERVE AND NATIONAL GUARD FORCES

All Reserve and National Guard forces will be included in the Reserve and National Guard forces program packages. However, those forces which are, in effect, on active status (e.g., interceptor squadrons on alert duty) will be so identified—both in terms of the forces involved and their approximate costs.

Program package submission schedule

<i>Program package</i>	<i>Submission date to OASD (Comptroller)</i>
I. Central war offensive forces.....	July 3
II. Central war defensive forces.....	Aug. 21
III. General purpose forces.....	July 31
IV. Sea and airlift forces.....	July 19
V. Reserve and National Guard forces.....	July 10
VI. R & D (including "Space").....	Aug. 14
VII. Servicewide support.....	Aug. 28
VIII. Classified projects.....	Aug. 31
IX. DOD.....	Aug. 31

ATTACHMENT B

PROGRAM PACKAGE AND PROGRAM ELEMENT LIST

Revised June 1, 1961

I. Central War Offensive Forces:

Aircraft forces:

B-52 (Including separate identification of GAM's)

B-58

B-47 and RB-47

KC-135

RC-135

KC-97

B-70

Missile forces, land-based:

ATLAS

TITAN

MINUTEMAN H. & D.

MINUTEMAN Mob.

THOR

JUPITER

Missiles, sea-based:

FBM submarines

REGULUS submarines

Command, control, and communication

Headquarters and command support

II. Central War Defensive Forces:

Air defense interceptors (includes GAR's):

F-101

F-102

F-104

F-106

F-4-D

Surface-to-air missile forces:

NIKE-AJAX battalions

NIKE-HERCULES battalions

NIKE-ZEUS units

BOMARC

Surveillance and warning systems:

Ground environment 416-L

BMEWS

DEW line

DEW line extension

A.E.W. & C.

Picket ships

Bomb alarm

Command, control, and communications:

Missile master

Norad COC

Other Conad/Norad (except headquarters)

Headquarters and command support:

Norad

ADC

AAC

USARADCOM

Other

III. General purpose forces:**Army:**

Airborne divisions

Armored divisions

Infantry divisions

Mechanized divisions

Infantry brigades

Armored combat commands

Missile commands (air transportable)

Infantry battle groups

Artillery groups (REDSTONE)

Special forces groups

Armored Cavalry regiment

Air defense battalions (HERCULES)

Air defense battalions (HAWK)

Air defense battalions (AW)

Tank battalions

Engineer battalions (combat)

Engineer battalions (construction)

Artillery battalions (CORPORAL)

Artillery battalions (LA CROSSE)

Artillery battalions (HONEST JOHN)

Artillery battalions (LITTLE JOHN)

Artillery battalions (SERGEANT)

Artillery battalions (PERSHING)

Artillery battalions (280-millimeter gun)

Artillery battalions (8-inch howitzer)

Artillery battalions (175-millimeter gun)

Artillery battalions (155-millimeter howitzer)

Artillery battalions (105-millimeter howitzer)

Armored infantry battalions

Tank companies

Aviation companies

Infantry companies

Air defense batteries (AW)

Artillery batteries (105 millimeter howitzer)

Combat supporting elements

Other supporting elements

Command and control

Naval Forces:Attack carriers, *Essex* classAttack carriers, *Midway* classAttack carriers, *Forrestal* classAttack carriers, *Enterprise* classAttack carriers, *Forrestal* class, missile

Cruisers, CA—heavy cruiser

Cruisers, CAG—heavy cruiser, missile

Cruisers, CLG—light cruiser, missile

Cruisers, CG(N)—Cruiser, missile, nuclear power
 Cruisers, CG, missile
 Cruiser, CLG—light cruiser, TYPHON missile
 Destroyers, DL frigate
 Destroyers, DLG—frigate, missile
 Destroyers, DLG(N)—frigate, missile, nuclear power
 Destroyers, DD—destroyer, general purpose (other than FRAM I)
 Destroyers, DDG—destroyer, missile
 Destroyers, DDE—escort destroyer
 Destroyers, DDR—radar picket destroyer (other than FRAM I)
 Destroyers, DD—general purpose (FRAM I)
 Destroyers, DDR—radar picket (FRAM I)
 Amphibious ships, AGC—amphibious force flagship
 Amphibious ships, LPH—assault ship (helicopter) (new)
 Amphibious ships, LPD—transport, dock (landing craft, helos)
 Amphibious ships, LSD—dock landing ship (landing craft)
 Amphibious ships, LST—tank landing ship (heavy material)
 Amphibious ships, APSS—transport submarine
 Amphibious ships, AKA—attack cargo ship (landing craft and material)
 Amphibious ships, APA—attack transport (landing craft and troop equipment)
 Amphibious ships, APD—attack transport fast (landing craft)
 Amphibious ships, LPH—assault ship helicopter (CVS conversion)
 ASW carriers
 Submarines, SS—general purpose
 Submarines, SS(N)—general purpose, nuclear power
 Submarines, SSG, missile
 Submarines, SSG(N)—missile, nuclear power
 Patrol ships, DE—general purpose patrol ship
 Patrol ships, DER—radar picket patrol ship
 Patrol ships, DEG—missile patrol ship
 Patrol ships, DEK
 Seaplane tenders AV and AVM—large seaplane tenders
 Seaplane tenders AV—small seaplane tenders
 Mine warfare ships, DM—minelayers
 Mine warfare ships, MC—mine countermeasures craft
 Mine warfare ships, MSC
 Mine warfare ships, MSO
 Mine warfare ships, LSD
 Underway replenishment ships, AO—oiler
 Underway replenishment ships, AOE—fast combat support ship
 Underway replenishment ships, AE—ammunition ship
 Underway replenishment ships, AKS—general stores issue ship
 Underway replenishment ships, AF—combat store ship (refrigerator)
 Underway replenishment ships, AFS—fast combat store ship
 Underway replenishment ships, AOR—fast oiler and store ship
 Underway replenishment ships, AVS—cargo and aircraft ferry
 Major fleet support ships, AD—destroyer tender
 Major fleet support ships, AR—repair ship
 Major fleet support ships, ARG—engine repair ship (advance base)
 Major fleet support ships, AS—submarine tender
 Major fleet support ships, AGB—icebreaker
 Major fleet support ships, AVB—aviation advanced base ship
 Major fleet support ships, AGMR—communications relay ship
 Minor fleet support ships assigned to active fleets
 Miscellaneous ships not assigned to active fleets
 Auxiliary and special combat support units
 Attack carrier airgroups (by squadron and type aircraft)
 Patrol squadrons, land-based (by squadron and type of aircraft)
 Patrol squadrons, sea-based (by squadron and type of aircraft)
 ASW carrier airgroups (by squadron and type aircraft)

- Fleet combat support squadrons VW (radar aircraft)
- Fleet combat support squadrons VQ (ECM aircraft)
- Fleet combat support squadrons—VFP/VAP (photo aircraft)
- Fleet tactical support squadrons VR—transport (by type)
- Fleet tactical support squadrons HU—helicopter (by type)
- Fleet tactical support squadrons, VU—utility (by type)
- Command, communications, and command support

Marine division/wing teams:

- Divisions
- HAWK battalions
- Heavy artillery rocket batteries (HONEST JOHN)
- Tank battalions
- Close support artillery weapons battalions
- Wings (by aircraft and squadron)
- Fleet Marine Forces (including command, communications, and command support)

Air Force:

- F-100
- F-101
- F-104
- F-105
- TFX
- B-66
- B-57
- RF-101
- RF-105
- RB-66
- KB-50
- MATADOR
- MACE
- MRBM
- F-102
- F-106
- Theater command, control, and communications
- Theater headquarters and command support

IV. Sealift and airlift:

Troop carrier wings (including theater airlift):

- C-123
- C-124
- C-130
- C-141

- Headquarters and command support

Military Air Transport Service:

- C-118
- C-121
- C-124
- C-130
- C-133
- C-135
- C-141

- Naval personnel assigned to MATS

- Headquarters and command support

Military Sea Transportation Service:

- Commissioned Naval ships (by type)
- Civil service manned ships (by type)
- Headquarters and command support

V. Reserve and National Guard Forces:

STRAC and theater reinforcements:

- Infantry divisions
- Infantry brigades
- Combat and combat supporting elements
- Other supporting elements
- Command and control

Ready Reserve (STRAF):

- Infantry divisions
- Armored divisions

- Combat and combat supporting elements
- Other supporting elements
- Command and control
- Ready Reserve mobilization:
 - Infantry divisions
 - Armored divisions
 - Combat and combat supporting elements
 - Other supporting elements
 - Command and control
- Air defense onsite
 - Air defense battalions (AJAX)
 - Air defense battalions (HERCULES)
- Headquarters, command, and support
- ASW ships:
 - DD
 - DE
 - SS
 - Patrolcraft
- ASW aircraft:
 - VP squadrons, land-based
 - VP squadrons, sea-based
 - VS squadrons, carrier-based
 - VS squadrons, carrier-based (helicopters)
- Mine countermeasure units (MSC)
 - Attack carrier air units:
 - VF squadrons—fighter aircraft
 - VA squadrons—attack aircraft
 - HU squadrons—utility helicopters
- Fleet augmentation (designated individual officers and EM's)
- Fleet support activities units:
 - Advance base command units
 - Amphibious beach command units
 - CB units
 - Harbor defense units
 - MSTS units
 - Aviation maintenance units
 - Ship activities maintenance and repair units
 - Ships supply department units
- Shore Establishment units:
 - Naval Reserve training not assigned to other elements
 - Reserve tactical air transport, VR
 - Reserve combat support aircraft
- Marine Corps division/wing team reserves:
 - Organized Reserve, ground
 - Organized Reserve, air
 - Inactive Reserve, ground
 - Inactive Reserve, air
- Tactical fighter/tactical reconnaissance squadrons (including tankers):
 - F-86
 - F-100
 - F-101
 - KB-50
 - Other (by A/C type)
- Tactical airlift:
 - Transport
 - Troop carrier
 - Air rescue
 - Aero-med transport
- Air defense interceptors:
 - F-89
 - F-102
 - Other (by A/C type)
- Other Reserve activities:

V. Reserve and National Guard Forces—Continued

Headquarters and command support (including Headquarters, CONAC)

National Guard Bureau:

Army contribution

USAF contribution

VI. Research and development:¹

Army:

Basic research

Applied research

Management and support

Ranges

USAEPG field test facility

Tactical communications

Tactical applications of ADPS

Aerial combat surveillance equipment and system

Ground based combat surveillance equipment and system

Unmanned aerial surveillance system

Light observation helicopter

Aircraft propulsion systems

Operational evaluation V/STOL

Nuclear powerplants

MAULER

PERSHING

Extended range PERSHING

Missile A/B (w/AK)

SHILLELAGH

Assault reconnaissance vehicle

Tank, main battle

Aerial crane

Navigation and air traffic regulations

Other development projects

Naval Forces:

Basic research

Applied research

Management and support

Pacific Missile Range

TYPHON

Naval tactical data system

Vertical takeoff and land/triservice (VTOL)

Mark 46 torpedo

Marine Corps tactical data system (MTDS)

Other engineering developments

Air Force:

Basic research

Applied research

Research support

Development support (STL, MITRE, Rand, etc.—List)

Operational support development

Missile ranges (Atlantic)

X-15 (653A)

ANP (657A)

Recoverable boosters (656A)

Triservice VTOL (498B)

System studies (699A)

ASG/18-GAR/9

Penetration aids

Development planning studies

R. & D. not otherwise identified (list major efforts by PE number)

Test instrumentation

Headquarters and command support (Office of Aerospace Research)

¹ Not associated with other program elements.

Space systems (all services) :

ADVENT
TRANSIT
SAMOS
MIDAS
DISCOVERER
DYNA-SOAR
Communications satellite

ARPA :

Project DEFENDER
Project VELA
Other projects

VII. Servicewide support:**Army :**

Recruit (replacement) training
Professional training (including ROTC)
Service academies
Supply operations
Maintenance activities
Single manager operations
Other joint service projects
Port operations
Intelligence
ASA
Mapping and geodesy
Reserve industrial capability
Inactive installations (nonindustrial)
Procurement for mobilization reserves (by major item)
Army stock fund
Command and direction (higher headquarters, including DOD-JCS)
Specialized financial and administrative support
Communications
Installation operations and construction not associated with other program elements (including family housing)
International activities (not including MAP)
Alaska communications
Medical services

Naval Forces :

Recruit training (including recruiting)
Flight training
Professional training (including ROTC, PG schools)
Technical training
Service academies
Headquarters and command support
Supply management
Supply operations
Navy petroleum reserves
Naval contingencies
Naval intelligence
Reserve Fleet (by categories) (identify by PE numbers)
Reserve A/C (by class)
Reserve industrial facilities
Inactive installations
Procurement for mobilization reserves (by major item) (identify by PE number)
Navy stock fund
Marine Corps stock fund
Communications systems

VII. Servicewide support—Continued :

Naval forces—Continued

Command and direction (higher headquarters, including DOD-JCS)

Naval district headquarters

Support activities, bases

Family housing

Specialized financial and administrative support

Special Navy and Marine Corps operating activities

Special fleet operations

Hydrographic and oceanographic

Medical

Transients, patients, and prisoners

Air Force :

Recruit training

Technical training

Flying training

Professional training (including ROTC and headquarters AU)

Service academies (including AFA)

Headquarters and command support

Maintenance activities

Supply activities

Transportation (other than FDT)

Procurement activities

Logistics base support

Headquarters and command support (including AFLC)

Logistic support squadrons

Intelligence

USAFSS

Reserve industrial facilities

Inactive installations

Procurement for mobilization reserves (by major item)

USAF aerospace communications complex (Air Com)

Traffic control and landing

Air Force communications centers

Headquarters command control

Command and direction (higher headquarters, including DOD-JCS)

Base operation/construction and procurement not associated with other program elements (including family housing)

Weather service

Weather reconnaissance (WB-50, WB-47)

Medical support (nonorganic)

Aeromed Transport (C-131, C-140)

SAM (1254th Air Transport Special Mission Wing)

Air rescue

Mapping and charting

VIII. Classified projects

IX. Department of Defense :

Office of Secretary of Defense :

Retired pay

Operations and maintenance

Emergency fund

OSD miscellaneous

Defense Atomic Support Agency

Defense Communications Agency

Armed Forces Supply Support Center

ATTACHMENT C

MAY 19, 1961.

MEMORANDUM FOR THE ASSISTANT SECRETARY OF THE NAVY (FM)

To supplement the general guidance for the development and submission of program packages provided by my memorandum of May 13, 1961, a set of detailed instructions which apply specifically to your Department is attached. The content of these instructions has been reviewed with members of your staff and, insofar as possible, reflects their comments and suggestions.

CHARLES J. HITCH,
Assistant Secretary of Defense.

INSTRUCTION No. 2C: SPECIAL INSTRUCTIONS TO DEPARTMENT OF THE NAVY FOR PROGRAM PACKAGE SUBMISSIONS

The following instructions for the Department of the Navy are supplemental to the general instructions for the development of program packages transmitted by memorandum of May 13, 1961.

Addenda to the list of program elements may be necessary, by informal agreement, during the next few weeks. Required changes will be formalized later. Program elements should be assigned security classifications consistent with their contents. Program elements classified higher than secret should be included in the "Classified Projects" program package. In such cases the original program element number should be identified.

Force level projections for each of fiscal years 1961-1970, serving as the basis for costing program elements will be submitted to the programming office 2 weeks after receipt of the draft Basic National Security Policy paper. Alternate proposals may also be presented for separate consideration.

The purpose of the program element description component called for in the general instruction will be to provide descriptive information, nonfinancial in nature, which will provide an understanding of what is being presented. Since measures of effectiveness vary from one program element to another, no single format or definition of narrative content can be described. The following suggestions, however, are illustrative of the desired program information:

- (a) Force structure and deployment commitments.
- (b) Missions and tasks of the forces-weapon system-program element.
- (c) Description of major systems or equipments and their performance characteristics.
- (d) Description of supporting items such as armament, ship and ground support equipment.
- (e) Equipment status of the force-weapon system-program element.
- (f) Status of supporting projects such as research, evaluation, test, military construction, special training, etc.
- (g) Activity and tempo rates, such as steaming and flying hours, initial spares factors, logistic support factors, etc.
- (h) Measures of effectiveness or capability of program element.
- (i) Average or year-end personnel strengths for program elements (officers, enlisted, civilians, contractor personnel-technicians, etc.).
- (j) Maintenance, overhaul, and rework concepts and policies.
- (k) Projected delivery schedules of forces or major weapons systems (ships, aircraft and missiles).
- (l) Concepts and assumptions used in developing prepositioned deterrent items and general mobilization reserves.

As indicated in the general instruction, cost estimates are to be developed by fiscal years in terms of total obligational authority and expenditures. These terms are defined as:

Total obligational authority.—The total funds programed in each fiscal year from all sources, including new obligational authority, transfers, carryover of prior year funds, and reimbursements which benefit Navy and Marine Corps programs.

Expenditures.—Payments in each fiscal year for assets acquired or goods and services received.

As indicated in the general instruction costs of supporting activities such as training, operation and maintenance should be allocated to program elements if they are likely to vary significantly with changes in the program element. Some specific applications of this general rule have been discussed with Navy Department representatives and agreements reached on methods of allocating costs of supporting activities.

It is recognized, however, that additional problems of cost allocation will require decisions during the process of developing the program package submissions. Representatives of the programing office will be available for consultation on specific questions of cost allocations and revision to the program package list.

Program element costs should be submitted in a format similar to attachment 1. The objective of the format is to identify program element costs with funding sources. The subcolumn should therefore indicate appropriate subcost categories to identify what has been costed. Subtotals should be shown for the primary cost categories i.e. research and development, initial investment, and annual operating.

In several instances, program elements listed under the research and development and servicewide support packages are intended to collect residual costs which cannot be meaningfully allocated to other program elements. Adequate details should be kept of costs distributed to several program elements to facilitate review and possible development of alternative estimates.

Major items such as missiles, tanks, weapons, ASW equipment, etc., i.e., Tartar, Bullpup, Hawk, M-60 Tank, Dash, ASROC, SUBROC, torpedoes, etc., will be listed as subcost categories.

A summary sheet should be prepared, listing by item, mobilization reserve procurement objectives (quantities and cost) separately costed under the general purpose forces and servicewide support packages. Available assets (provided through fiscal year 1962) will also be shown, by item.

Research and development.—Where identifiable, research and development, test and evaluation, will be related to a program element. For R. & D. items which contribute to several program elements (e.g. Typhon), indicate such, without entering costs. The direct cost will be shown as a program element under "Other R. & D."

Initial investment.—These are the outlays necessary for major improvement, modernization, or acquisition of new force capabilities. Such costs are generally those financed under the procurement accounts; "Shipbuilding and Conversion," "Procurement of Aircraft and Missiles," "Other Procurement, Navy," "Marine Corps Procurement"; and "Military Construction, Navy." Additional inventories will be considered as a part of the initial investment. Identifiable costs of special training required to activate new units will also be included as initial investment.

For appropriate Marine Corps units (e.g., a ground unit), initial investment includes:

(a) Equipment procured to provide a new unit with its initial issue, including support and general organizational equipment, and initial spares and a pro-rata share of additional depot and pipeline inventories which may be generated by the establishment of the new unit.

- (b) Equipment to bring an existing unit up to full allowance.
- (c) Equipment to reequip an established unit, and which increases unit combat capability or effectiveness.

Replacement-in-kind for wear-out or attrition is part of annual operating cost. To distinguish between replacement equipment and initial investment equipment, consider all procurement of a new model as initial investment, even though some fraction of the total procurement may replace wear-out or attrition of earlier items.

Operation and maintenance.—These are the recurring costs for support of the operations of the program element. Training costs include direct, indirect and weapons (ordnance) training. "Direct training costs" are those directly identifiable to the program element (e.g. ships, personnel). "Indirect training costs" include general and specialized training which contribute to several program elements. "Weapons training costs" are those related to ordnance and ammunition usage for noncombat crew proficiency training. Where required, allocation of training costs will be statistical, as a function of the manning level of a program element or weapon system, as appropriate.

The general rule for identifying training costs for allocation is as follows: If the particular item of training is primarily a function of the total Naval or Marine Corps structure, it will not be identified with an individual program element; if it exists primarily as a result of the existence of a program element, identify and allocate it as such. In particular:

(a) Recruit training will not be identified or allocated. It will appear as a program element under servicewide support.

(b) Flight training. Advanced and combat crew training which can be identified to program elements will be allocated. The remainder will be shown under appropriate entries in servicewide support.

Repair and overhaul costs will include costs for overhauls, reworks, repairs and upkeep of program elements. "Fuel costs" include all petroleum products and utilities attributed to a program element. Facilities repair costs are those upkeep and maintenance costs clearly attributable to a program element.

Supply costs will be either direct or indirect. Direct supply costs are identifiable with the program element on an issue basis. Indirect supply costs will result from statistical measurements and be allocated to program elements.

Military pay, allowances and travel.—These costs will be projected as a function of military personnel involved in the program element, on a statistical basis where required.

Cost summaries.—In addition to the program element cost sheets additional summary data will be required as follows:

(a) For each program element, a summary of cost categories, by fiscal years, on one page. See attachment 2.

(b) For each program package, a summary of program elements, by fiscal years. See attachment 3.

(c) For each program package, a summary by appropriation titles by fiscal years. See attachment 4.

(d) For each program package a summary of cost categories by fiscal years. See attachment 5.

(e) In addition to program element and package summaries Navy and Marine Corps will provide acquisitions projections (shopping lists—quantities and cost) for specific models of weapons systems, i.e. ships, aircraft, missiles, tanks, etc., by cost categories. See attachment 6.

Format for Presentation of Estimates
for Department of Navy Program Elements

Obligational
Authority ☐

Expenditures ☐

Program Element _____

Fiscal Year _____

Cost	RDT&E	Procurement	Military Construction	MM	Mil Pers	Total
Category						
Research & Development						
Initial Investment						
Ships						
Aircraft						
Missiles						
Equipment						
Facilities						
Initial Inventories						
Pre-positioned deterrent (net)						
Training						
Etc.						
Operating						
Overhead, Repair & Rework						
Fuel and Utilities						
Facilities						
Supplies - Direct						
Supplies - Indirect						
Training - Direct						
Training - Indirect						
Training - Ammunition						
Training - Missiles						
Military Personnel						
Etc.						
Grand Total						

Note: As an alternative, the program element format could be re-designed to have the sub column identify appropriation titles, sub-cost categories, and budget projects. Cost projections for each of Fiscal Years 1962-1967 could then be presented across the page.

PROGRAM ELEMENT SUMMARY FORMAT

Program Element _____

Cost Category	<u>FY 1962</u>	<u>FY 1963</u>	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>	<u>FY 1967</u>
---------------	----------------	----------------	----------------	----------------	----------------	----------------

Obligational Authority

R&D

Initial Investment

Annual Operations

Total

Expenditures

R&D

Initial Investment

Annual Operations

Total

Date: _____

ATTACHMENT #2

PROGRAM PACKAGE SUMMARY

Program Package _____	Obligational Authority Expenditures					
<u>Program Elements</u>	<u>FY 1962</u>	<u>FY 1963</u>	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>	<u>FY 1967</u>
Attack Carriers Essex Class						
Attack Carriers MIDWAY Class						
Attack Carriers FORRESTAL Class						
Marine Division						
Marine Airwings						
Attack Carrier Airgroups						
Etc.						

Total

Date: _____

PROGRAM PACKAGE SUMMARY

Obligational Authority
Expenditure

Program Package _____

	<u>FY 1962</u>	<u>FY 1963</u>	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>	<u>FY 1967</u>
--	----------------	----------------	----------------	----------------	----------------	----------------

Appropriation

RDT&E

Shipbuilding and Conversion

Procurement, Marine Corps

Military Construction

Operation and Maintenance

Military Personnel

Etc.

Total

Date: _____

ATTACHMENT #4

PROGRAM PACKAGE SUMMARY

Program Package _____					
<u>Cost Category</u>	<u>FY 1962</u>	<u>FY 1963</u>	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>
<u>Obligational Authority</u>					<u>FY 1967</u>
R&D					
Initial Investment					
Annual Operations					
Total					
<u>Expenditures</u>					
R&D					
Initial Investment					
Annual Operations					
Total					

Date: _____

ATTACHMENT #5

Format for Presentation of Estimates on
Individual Weapons & Major Items of Equipment

Item	Obligational Authority				
	Expenditures				
	<u>FY 1962</u>	<u>FY 1963</u>	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>
					<u>FY 1967</u>

1. HAWK
R&D
Procurement
Construction
Other*
Total
Programmed Deliveries
2. A2F-1 Aircraft
R&D
Procurement
Construction
Other*
Total
Programmed Deliveries
3. Etc.

**For presentation of the identifiable cost of supporting activities,
such as training and maintenance.

ATTACHMENT #6

Date: _____

THE BUDGET AND THE POLICY PROCESS

TUESDAY, JULY 25, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, and Mundt.

Also present: Senator Case.

Staff members present: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, minority counsel.

Senator JACKSON. The subcommittee will be in order.

This morning our subcommittee goes into its second day of public hearings on the subject of the budgetary process as a prime executive instrument for the planning and management of national security policy.

The subcommittee's study of this problem represents one part of a broader task. That broader task is to determine how our Government can best staff and organize itself to meet successfully the challenges of the cold war.

Yesterday we heard significant testimony from Mr. Charles J. Hitch, Assistant Secretary of Defense, and Comptroller.

This morning we are privileged to have as our witness Mr. Wilfred J. McNeil, president of Grace Line, Inc.

Mr. McNeil has combined a distinguished business career with notable contributions to the National Government. He served as special assistant to the Secretary of Defense from 1947 to 1949 and as Assistant Secretary of Defense and Comptroller of the Defense Department from 1949 to 1959, under both the Truman and Eisenhower administrations.

Perhaps more than anyone else, Mr. McNeil is entitled to be called "Mr. Pentagon."

I do not know how you want to take it; anyhow, it represents the tremendous effort you have put in the Department of Defense.

Mr. McNeil has served his country in the Navy in both World Wars. He was one of the very first Reserve officers to be made admiral. We feel that he is admirably qualified to discuss the role of the budgetary process in national security policymaking and execution.

I want to say, Mr. McNeil, that we on the committee are particularly grateful to you for the advice and counsel that you have given us and to the staff. We particularly appreciate the fact that you are a very busy man these days in your own business. It is most thoughtful of you to take the time and put forth the effort that you have to make your presentation here today.

We welcome you to the committee and we will be pleased to hear from you at this time.

**STATEMENT OF HON. WILFRED J. McNEIL, FORMER ASSISTANT
SECRETARY OF DEFENSE AND COMPTROLLER**

Mr. McNEIL. Mr. Chairman, members of the subcommittee, I feel complimented in being asked to appear before your committee. As to being called Mr. Pentagon, I will accept that because at least you smiled when you said it.

First, on the subject scheduled for the hearings this morning, let me say that seldom in the long history of congressional investigations and studies has any committee approached their task in a more non-partisan, thorough, and studious manner than is evidenced by the published reports from this committee. These reports, with their clear-cut comments and conclusions, should be studied by everyone having a real interest in improving the management of public affairs; they should be required reading for everyone.

You have expressed concern with the role of the budgetary process in national security policymaking and execution.

Among other things, you have asked whether the budgetary process now provides the President, his chief lieutenants, and Congress with the information needed for wise and prudent program choices.

You have questioned whether the budgetary process and the national security planning and programing are now properly related: whether the budget is now done on a long enough time scale to permit effective forward planning, and whether the budget process is now an effective coordinating and performance-auditing instrument for the President and his key civilian and military chiefs.

Generally speaking, I think that the committee may find the answers to be very much the same as the conclusions it has reached on other major facets of the organization for national security; namely, that the budgetary process has served rather well, but that there can be substantial further improvements in and a tightening up of the whole process.

We should never allow ourselves the luxury of becoming complacent or self-satisfied with the progress that is being made.

I think, however, it should be encouraging to find the real improvement that has been made in the last 14 years since passage of the National Security Act, in national security planning.

The situation today is a far cry from that which existed in 1947. Then it was surprising to find how little one service knew about the operational problems and equipment needs of the other.

There are still troublesome differences of opinion, but the fact that there are now in senior positions hundreds of graduates of the joint schools with experience serving in the joint commands and on joint planning boards, has produced, by comparison with 1947, startling

results in developing a greater understanding of interservice problems, and of all facets of defense requirements.

Fourteen years ago during a planning session a senior Army officer strongly objected to the maintenance by the Navy of the large reserve fleet, until it was explained at length, rather unconvincingly perhaps, that it represented the "mothball" fleet and not a manned force along the lines of the National Guard.

Similar examples of the then lack of understanding could be attributed to the Navy and the Air Force. I do not believe that would happen today, certainly not to the degree that it did at that time.

Questions such as those mentioned a moment ago seldom can be answered by a simple yes or no. For some time proposals for weapons systems or major programs have been projected for a long time ahead—and the present budget process does not place a restriction on the development of such long-term proposals.

After all, or part of, such a proposal is adopted, it may, of course, be carried out by providing, as necessary, annual increments in each succeeding budget assuming, of course, that the proposed project continues to have sufficient priority to warrant allocation of resources in future years.

Usually, considerable information has been available and has been presented generally in the detail and manner desired by those responsible for final recommendations or decisions. A major weakness, however, has been the fact that subsequently it has been impossible to achieve many of the time schedules and performance requirements outlined in the initial projections.

Whenever technical problems or manufacturing difficulties create delays, which frequently happen, the initial cost estimates become invalid. As a matter of fact, the increased costs resulting from such delays, together with the fact that the need for the project itself may lessen because it has been overtaken by later scientific or engineering developments, may invalidate the original decision.

This will continue to be true and it will be all the more true the more we try to press forward with putting into manufacture, developments at their early stage.

All would agree that the better and more understandable the information, the better can be the decision. The problem is not confined, however, to the comparison of major weapons systems—it also must encompass the degree of readiness, desired from such systems, the level of supply support, et cetera, because they all consume resources.

The package plan presented to your committee yesterday could be a worthwhile step. Any step in this direction which will provide those responsible for making decisions with information that they believe they need, should be taken.

The plan covers, however, only one facet of the budget process, and I will touch on this point later in this statement.

While the package plan idea was presented in an excellent manner, the substance of the new proposals are very much along the lines of developments discussed with Budget Director Stans and his staff, and the staff of the House Appropriations Committee in 1958 and 1959.

The idea then, as I believe it should be now, is to provide another way to evaluate major programs and to size up the problem.

In reading some of the material presenting the plan, however, I would be forced to conclude there is some lack of knowledge of what has been the general practice for years.

I might add, from the presentation I got the impression that Secretaries Lovett, Wilson, McElroy, Gates, and General Bradley, Admiral Radford and General Twining really have not been doing very much along these lines. I can assure you that is not true. They were in this business of looking ahead day in and day out, month in and month out.

Although I am sure that there are better and more formal ways to get comparisons of systems than has been true in the past, certainly the "new look" of 1953 was not decided in a budgetary vacuum, nor on the basis of a single year.

Certainly the successful B-52 program of some 500 or more aircraft, planned for execution over a number of years, was not undertaken without some knowledge of the long range budgetary considerations.

In the late forties and early fifties, the decision was made to limit shipbuilding because, at that time, the fleet was relatively new and because there had been but limited technical advances since the war. This decision was certainly made with the knowledge that in the late fifties and early sixties a substantial increase in the shipbuilding program would be required and could be justified as having high priority.

From a budgetary standpoint, I believe that every major program undertaken in the last decade has been so considered.

Surely there have been errors. Scientists and engineers in many instances were overly optimistic and they will be again. Manufacturers in many instances have not always been able to live up to their schedules of production, nor will they always do so in the future, particularly in attempting to produce newly designed weapons.

This does not mean that every effort should not be made to examine these things carefully, but we should not expect the impossible.

I might add that generally speaking, any errors in decisions as to weapons or quantities have received plenty of publicity, and I think that is helpful. An examination will show, however, that the percentage of "misfires" will probably be less than have occurred in many successful business institutions in the United States.

I might cite some examples to put in perspective what the U.S. Government has done compared to some of these outstanding companies, proportionately at least. A steel company building a large steel mill so far up a river as to be impossible to reach it by large seagoing ore vessels; a chemical company building a new plant for a new process, finding later that the process was not feasible; an automobile company expending millions to bring out a new automobile, but which when developed missed the market; a shipping line that embarked into a new area incurring substantial losses on the basis of projections of the chambers of commerce, and without fully taking into account what competing forms of transportation might do.

I can speak to the last example because it happened in our company.

Earlier in your hearings it was recognized that the American system of government provides no good alternative to reliance on the budget

process as a means of coordinating and reviewing the activities of the departments and raising periodically for Presidential decision and review, their effectiveness in actual performance. Certainly the budget process is an integral part of the management process in any government department.

The budget problem within the Defense Department is to achieve the best possible balance among all our requirements. As a practical matter, this can be done only by bringing together in one place, and at one time, all the various pieces of the defense program and budget so that each piece can be judged in terms of the whole.

Obviously, in this process of achieving proper balance within the defense budget and between the defense function and other functions of the Government, as well as between revenues and expenditures, adjustments in the budget requests are unavoidable.

Unfortunately, sometimes these adjustments come at the very last minute and place a great deal of stress and strain on the budget machinery.

I might add that there is a saying around the Pentagon that while you try to make every effort to make decisions earlier, there is only one person in the United States who can force a decision, and that is the Government Printer.

No matter how precise the planning may have been; no matter how determined the management that budget planning would not encounter a last-minute rush, it is almost certain that something in this day and age will come along and upset it.

As an example, the press and radio are guessing that based upon U.S. reaction to the Berlin matter, the President may tonight announce some changes in defense plans not contemplated or decided upon only a month or two ago.

From a long-range viewpoint, we must have a total national strategy in which each element is in proper balance. Resources must be allocated on the basis and the allocation shifted in line with shifts in overall strategy.

Fortunately or unfortunately, the allocation cannot be entirely on a scientific basis. Allocations usually must be a matter of judgment. While we may see some differences in interpretation of certain aspects of the total problem from one administration to another, I believe you will find general agreement that the threat is multifaceted and of a long-term nature, and, that the strategy and its implementation must be geared to the long pull. This, in itself, helps determine the best approach to a solution and to the effort allocated to defense.

Furthermore, defense requirements cannot be viewed in isolation. The benefits of additional dollars spent for defense are weighed by any administration against the benefits of additional dollars spent for other governmental purposes, and against the additional burden placed on the taxpayer, or the additional debt which future generations would be required to bear.

It is not simply a matter of figuring requirements and adding up their costs. The defense program must be judged in context with the Government program as a whole, and in the light of other desirable objectives, particularly in the fiscal and economic areas. This is the crux of the problem of budget planning at the national level.

So while the Defense Department has a job to do, the amount of resources to be devoted to all Government functions and their allocation among those functions, is a matter of subjective judgment.

In the final analysis, it is the President, with the assistance of his chief advisers, who must initially decide what programs and activities are best for the country. The annual U.S. Government budget constitutes his recommendations to the Congress.

The test of the correctness of these judgments is in how well the needs of the country have been met and how efficiently the Government managers have used the resources placed at their disposal. Neither of these tests is subject to any immediate or precise standard or measurement.

This is an aspect of budgetary planning which often is not clearly understood. Many people, even though associated with the defense program for a long period of time, come to think of military requirements as finite quantities. This is a misconception. Virtually all military requirements stem from decisions on major force levels, and decisions on the levels of readiness of these forces.

The determination of the forces required for national security and their level of readiness at any particular time is a complicated and by no means exact process. Decision as to the course of research and development and weapons themselves, if rapid advances are to be made are, in part, a matter of judgment. There is a good deal of room for honest differences of judgment among equally competent persons.

As mentioned earlier, the package plan, as contemplated, seems to cover but one phase of the budgetary process, and is but one method of evaluating its contents. It seems to contemplate a very high degree of preciseness and ability to perceive successful weapons development and suitability.

Certainly past experience would indicate that is not true, although certainly it is all right as a goal to look as far ahead and as precisely as one can.

But in addition to evaluating the relative merit of different weapons systems and programs, there are times when those responsible for the making of decisions want the package grouped in other ways; for example, to indicate the portion of effort allocated to offense as compared to defense of the United States. At times an important element in making decisions has been a projection of the effort allocated to defense of the fighting forces themselves in forward areas. Other groupings which from time to time occupy the attention of responsible officials are a projection of the effort allocated to various areas of the world—in Europe, the Mediterranean, the Far East. In the formulation of national policy, there are times when the allocation by areas is considered just as important as comparison of weapons systems.

Another consideration which may be considered just as important is the proportion of the defense effort going into research, development, and testing, compared to the volume of procurement or the amount of hardware that is actually being procured for use by the fighting forces.

To summarize my views on this matter, budget decisions cannot be based upon any single method of approach. Justification and support for the various programs can be in any form deemed desirable by those having the responsibility to make decisions.

The budgetary process is vital, and of particular interest in your current study, but there are other important facets of financial management of the Defense Department and I would like to mention a couple of them, if I may.

The full use of the tools which have already been provided by Congress in title IV of the National Security Act will, in my opinion, produce more savings, or, saying it another way, more defense for the resources provided than the value of all the mistakes in judgment or errors concerning weapons which are made and which will probably continue to be made by the Department of Defense.

Everyone would agree that it is of vital importance that the hundred or so major programs of the Department receive every attention.

However, someone has to look at the myriad of minor programs and transactions which in the aggregate involve huge sums. The problem of the management and control of maintenance and operations, and the utilization of personnel is the hardest to get at and the most difficult to solve.

Here organizational and financial arrangements which "make human nature work for us, rather than against us," are most helpful. A broad area where such arrangements can be applicable is the greater use of working capital funds to finance the operation of commercial- and industrial-type activities in the Department of Defense.

Congress has authorized and urged the establishment of what have been called stock funds. In effect, there are "merchandising institutions" for the management and control of consumable-type inventories. Under such an arrangement, nothing can be withdrawn from inventory without a charge being made against current operating funds within levels established by Congress and the executive branch. Experience has shown that responsible commanders and managers immediately assume greater responsibility for the proper use of material when accountable in such a manner. "Free issues" of such material from stock are conducive to carelessness or waste. Accounting or statistical reports after the fact will never do the job. While real progress has been made in establishing such merchandising arrangements, and in their use, much more can be done.

Also, Congress provided in title IV of the National Security Act authority to organize commercial- or industrial-type activities carried on in the Department of Defense under conditions similar to that found in private enterprise. Such activities include shipyards, printing plants, aircraft, vehicle overhaul facilities, ordnance plants, et cetera.

Under such organizational and financing arrangements able managers, civilian or military, are given an opportunity to operate and produce results in almost the same manner as if they were in highly competitive private commercial and industrial concerns.

Increased cost consciousness is the result, both within the plant and with the customer who must "pay" when the work is completed, by accepting a charge to his current appropriation and allotment.

In certain military departments real advantage has been taken of this excellent legislation, but elsewhere a great deal remains to be done.

The use of working capital funds in itself greatly facilitates and simplifies budgeting on the basis of cost of resources consumed, since

budgeting and accounting for such working capital funds are performed on an accrual basis.

This enables the consumers to budget, fund, and account for the cost of goods and services consumed in the same amounts as their obligations.

Another facet of financial management that can contribute to a tighter defense operation is a strong, well-rounded audit program, suited to a decentralized pattern of operations and carried forward in each service. This should include an independent audit of procurement operations in the financial aspects of contracting, as well as in the verification and review of contract costs.

I would like to make a brief observation on the method of making appropriations. The principle of making appropriations for the Department of Defense based on full funding of either complete programs or usable increments of a program is sound and should be continued. Only in this way will there be either within the Department or in the Congress an opportunity to grasp and understand the magnitude of the programs under consideration. Congressional and departmental control can only be exercised in advance of undertaking the program and not later at the time the liability is to be liquidated and a check to be written.

I am emphasizing this point because in the past it has been proposed and in the future Congress may again be urged to make appropriations on the so-called expenditure basis.

Certainly the rate of expenditure is a vital consideration, but real control must be exercised before a project is undertaken or the obligation is created and not afterward.

I would urge that the Congress be wary of proposals for any change in this basic principle of making appropriations and I believe the experience of the Appropriations Committee will support this observation.

At this point I might add that the so-called package plan does not provide a suitable basis for an appropriation structure. I will repeat, it is one method of evaluating major weapons systems.

One more thought, your studies emphasize the importance of developing, attracting, and retaining qualified and experienced personnel.

I cannot emphasize it too much, and I would like to say this is particularly true in the budget field.

Throughout your earlier reports, there seems to be a real effort to find new and better ways in which to do things. However, these conclusions have been tempered and made practical by the down-to-earth approach toward basic organization concepts and clean-cut lines of authority.

You recognize the all important point usually overlooked in the quest for perfect solution and that is the organization and procedures must be flexible and geared to the probability of constant change.

As the first Secretary of Defense said—

there is no finality to the stream of history—no black and white decisions. The stream of history is always flowing and problems between nations never end.

Organizations and procedures must meet such situations. Thank you very much, Mr. Chairman.

Senator JACKSON. Mr. McNeil, we are grateful to you for a most thoughtful and a candid presentation of this very important problem.

In your opening statement, you state:

While real progress has been made in establishing such merchandising arrangements and in their use, much more can be done.

I wonder if you can elaborate a little bit on that.

Mr. McNEIL. Yes. This, incidentally, was not my original idea, although I attempted to push it during the time I was there. It started in the Navy first about 1908, I believe, as one means of carrying a common inventory of consumable type supplies.

The Navy has done a pretty good job with it. I think they can go further, particularly in the field of aircraft spares and things of that nature.

The Army started in 1952 and 1953 and have done a very excellent job.

The Air Force has not been as enthused about it. I think it is conducive to real economy of operation without stifling or hindering any operation.

Senator JACKSON. What about the Navy?

Mr. McNEIL. The Navy started in 1908 and carried it forward and did a very excellent job with the idea over four or five decades. They expanded it somewhat to medical supplies and things of that nature in the last decade. I think they can still go further in such areas as aircraft spares.

Senator JACKSON. What in your judgment, Mr. McNeil, are the strengths and weaknesses of the program package approach to the budget?

Mr. McNEIL. Mr. Chairman, I think, as I tried to point out in the statement, it is all right as one way to walk around the "elephant" and to take a look at the other side. It is one way to evaluate the problem.

I don't think it is the basis for a satisfactory budget structure, that is, a way of making appropriations.

The grouping proposal is one way which might suit the present management and if it is, it should be used. If one takes a look at the detail, however, he finds that almost the entire Army, with the exception of Air Defense, is in one grouping.

Well, you can get that today from the present appropriation structure, without sorting out any programs except air defense missiles.

But I think if this serves a purpose to the present management and provides a better understanding of what they are doing, I certainly am in favor of it. But to me, it is just one more way to look at the problem and it is all right if treated as such.

Senator JACKSON. I know you referred to the arrangements you had with the Appropriations Committee back in 1958 and 1959. Did you give substantial consideration to this approach from the standpoint of budgeting?

Mr. McNEIL. Yes, but the grouping would be a little different.

As I said, if this particular grouping suits the present management, certainly there would be no objection. At that time, the thinking, and apparent need were a little more along the lines of what part of the defense effort might be, let us say, devoted to the Mediterranean.

I think a great deal of this package program idea must depend on allocations. That is you have to distribute certain overall or overhead costs.

As such, it can be a perfectly good system to help evaluate a program, but not precise enough to be the basis for a budget.

Next, if carried into the budget I believe it would not be conducive to economy of force. Navy destroyers are a good example of a type of force. I haven't checked this year but I would assume the number of destroyers in active service is probably around 225. I can assure you that if you broke that package up, broke that force up budgetwise, and allocated and assigned both for command, maintenance, and budget, separate groups of destroyers to the carrier force, to a possible convoy force, to an antisubmarine force, and to the various odd jobs they do, that you will find requirements above 225. You just cannot do it and get the best utilization.

By budgeting for the maintenance of 225 destroyers and then thinking flexibly about their use, you will assign them where, as, and if needed. You will find you don't need quite as many as you would if you divided them up in neat packages.

I think budgeting along any other line tends to compartmentalize the forces.

Senator JACKSON. What I gather from what you are saying in part is that maybe the package approach would be an additional way to look at requirements, but you would not want to rely on that approach exclusively. Is that a fair statement?

Mr. McNEIL. That is correct.

Senator JACKSON. And the more one can develop different approaches to these troublesome problems, the better off one may be as long as you do not rely exclusively on any one approach?

Mr. McNEIL. That is correct, sir.

I am sure probably it is more a matter of presentation, but the way the presentation was worded, as I read it last night, it seemed to indicate that this was the plan.

However, to my mind, it can be only part of the budgetary process.

As I tried to bring out in my statement, the budget of the Department of Defense is one problem, but it has to fit in the whole picture.

The President has quite a job of fitting in the Defense budget along with that of Agriculture, State, and all the other tasks this Government has to perform.

I want to repeat: I think it is all right, but it is just one part of the budget problem. I think you would have to think of the budget as a whole.

Senator JACKSON. What would be the organizational implications of the package approach?

Mr. McNEIL. If carried into the appropriations structure, I think it would not be good for the Department of Defense.

Again as a method of statistically grouping these programs for evaluation, OK.

Senator JACKSON. My questioning on this point does not necessarily indicate my point of view, but I am wondering if you use the program package or functional approach for purposes of budgeting, is this not apt to lead logically to reorganizing your command structure in a corresponding way?

Mr. McNEIL. Carried through to the budget, it would affect the command structure sooner or later because sooner or later management or command channels follow the money.

Senator JACKSON. I have a broad, general question, Mr. McNeil.

At the time you left the Pentagon, what do you think were the greatest weaknesses insofar as the Defense budgetary process is concerned, and the unresolved problems, shall we say?

As you properly pointed out, these things go on forever, and challenges are always with you, but what stand out in your mind as the most serious unresolved problems insofar as the Defense budgetary process is concerned?

Mr. McNEIL. The question is a difficult one to answer for this reason: I felt one of the biggest problems ever since the passage of the National Security Act 14 years ago, has been the problem of getting a better understanding between the different services, an understanding of their requirements, their equipment, their needs. I thought it had to be an evolutionary process and it has been.

During the period between passage of the act and 60 days later when the act took effect, I recall talking to Secretary Forrestal about the matter. At that time he thought that if you could get substantial understanding between the services in from 10 to 20 years, it would be quite a marvelous accomplishment.

I believe that the progress has been even faster than might have been forecast in 1947. So it is hard to prescribe a solution except just to press forward constantly through the joint schools, the joint commands, the constant pressure to improve the combined planning.

Senator JACKSON. In that connection, don't you feel that the joint schools, the National War College, the Industrial War College, and all the other schools of a joint nature, have been particularly helpful.

Mr. McNEIL. They certainly have. I think they have been excellent because living together for a year, studying each others problems, has been conducive to mutual understanding.

In fact, when I was in the Pentagon I always was delighted if I could have the benefit of the services even for a short time, of the graduates of any of those schools or people who had served for a time in a joint command because they have a much broader outlook, have a much better understanding of the whole problem.

Senator JACKSON. I am glad to hear you say that. I have been impressed in visits I have made over the years to the National War College and Industrial War College, and the service colleges that they have done remarkable jobs in selecting and training top people. I believe they come away from the college with a broader attitude and they can see a lot more of the problems we face than they could before, and with more understanding.

Mr. McNEIL. I felt strongly enough about it to spend 4 or 5 days down at Fort McNair this past year and I certainly will do it again should I be invited, because I think anyone who contributes to that is performing a real service to the country.

I think that the problem that Mr. Hitch is attempting to get at in his package plan is something that we can go much further in.

In my remarks today I do not mean to write off as a worthwhile effort, the improvement and evaluation of programs, improvement

and method of trying to find out which weapon or system will do the job best and the cheapest.

But that, again, is an effort that is a continuing one. Certainly the problem was recognized when the Weapons System Evaluation Group was established in 1948, when the Institute of Defense Analyses and its predecessor, was established. Those were all efforts to get at this same problem.

There will be no quick and easy solution. The more this country presses toward getting new weapons quickly, the more mistakes we will make, and that is perfectly all right. I think it is the thing to do.

We cannot expect to start development of ideas and have every one work out. So we ought to expect that a certain amount of the things that we do will not work out as originally planned, and if so I would not be too critical. I would only be critical if, when they are not going right, we haven't the courage to step up and stop it. That is the real thing that we should have been criticized for when I was there, and I would think the same way in the future.

Senator JACKSON. I have a lot more questions, but I am going to turn to my colleagues. Senator MUSKIE.

Senator MUSKIE. Thank you, Mr. Chairman.

I appreciate the opportunity of listening to your comments on this very important problem, Mr. McNeil. I think we are all agreed that it is much easier to say generally what we are trying to do, than it is to reach agreement as to how it ought to be done.

There are two very broad objectives, I am sure, on which we could agree. First, particularly in this field of defense, we want to do what is essential to our country's security but, secondly, we recognize we must stay within certain practical limits as imposed by limitations on our resources and by political realities.

In this connection, I would like to ask a few questions about your evaluation of the importance of budget ceilings. I hesitate to even use that phrase, because it has developed a political connotation which I do not give it in asking this question. But since our resources are limited and since there are practical political limitations on what we do with them, and since there are other claims upon them, at some point in the process we have got to set a dollar limit on what we spend for defense.

The phrase "budget ceiling" has developed a connotation that those dollar limits are set before we decide what we need to do.

So I would like to get your evaluation of the importance of the budget ceilings and the point at which the dollar limit has to be imposed or ought to be imposed.

Mr. McNEIL. First, the word "ceiling" used in connection with budget, to me, is not a nasty word at all. It is one way to get a job done. It is a method that has been used by cities, States, and the Federal Government off and on for years, and will in the future.

I would attribute no political significance to the word, although I know how it is used sometimes, because it was used in recent years by both President Truman and President Eisenhower as a way to get something done.

It would be very nice if budgets could be prepared without a ceiling but there are times when it is the best method.

The adding machine lists of demands are probably going to be more than can be fitted into the resources available. Budget ceilings can, of course, be restrictive and they can stifle or prevent the bringing up of ideas and plans which should be considered.

When a ceiling is used to prevent or which has the result of preventing ideas or plans from being presented for consideration, I think it is the wrong use of the ceiling idea.

Sometimes, to get around objections of that kind in the Department of Defense, they have used A, B, and C budget ceilings, three different levels, in order to get a perspective and then said "Above that, if you can't get it all in A, B, or C, you state it separately."

The budget ceiling idea or plan is used more or less by everybody at some stage in the budget process, within a bureau or within a command, even if it were not done in departmental headquarters, as one way to force, at lower levels, consideration of a myriad of minor things that in the aggregate total huge sums.

If it accomplishes that purpose, I would say it is worthwhile because no one at the top can ever really control the millions of things that are going on in a huge department with activities around the world unless you do it with some kind of money limitation at some stage of the game.

I want to repeat that if the budget ceiling idea is used, and used properly, I think it can help a great deal so long as it does not bury or avoid bringing up for consideration vital things that should be considered in the interest of defense as a whole.

Now, a ceiling can be established to get that done and done in a way to carry out long-range policy but it is a controversial point and there are heated discussions on it on many occasions.

I recall General Marshall outlined in the fall of 1950 his idea of what the buildup should be at the time of Korea. That was in December, shortly after the Communists came into North Korea. At that time, he proposed that there be a rather rapid buildup to a reasonable plateau and that the plateau be one which will be carried on for years so long as there were clouds in the sky and the country apparently in trouble.

Certainly President Truman subscribed to that viewpoint at the time.

I think President Eisenhower, as I recall it was April 1953, reaffirmed that same general policy in a national broadcast after 2 or 3 months of study.

So for a long time, about 11 or 12 years, this country has had what to me has been a basic and underlying military policy. That is, we would get strong and stay reasonably strong.

Now, that might be achieved at a \$40 billion level. I am just using that figure as an example. Whether it was \$38 or \$42 billion I would still say that policy was being carried out.

If, at the same stage of budget ceiling, the President and his advisors thought that within that figure the general desired level of defense could be achieved, the establishment of a budget ceiling at \$40 billion would not be capricious. It would be one way to force consideration of minor elements and to get all the high priority items in that you could.

I know of no time in the last 10 years that if a person felt the program within the first \$40 billion was pretty solid and that something additional ought to be done that you could not get it in.

Senator JACKSON. Will the Senator yield on that point.

Last year General Taylor testified before our committee and I quote this particular paragraph from his statement on page 769. He said this:

In the absence of agreement by the military chiefs, economic and budgetary factors have come to play an overriding part in determining military posture. Each year the services receive rigid budget guidelines which control the growth, direction, and evolution of the Armed Forces. These guidelines are often set with little knowledge of their strategic implications.

I emphasize at the outset of his statement he points out "in the absence of agreement by the military chiefs," he says, "economic and budgetary factors have come to play an overriding part."

If you will forgive me, I thought this was pertinent to the question that the Senator from Maine has raised. Would you care to comment on that?

Mr. McNEIL. I think it is pertinent, sir. I would like to answer that question nicely, but I may have some difficulty.

Senator JACKSON. I hope my tone was all right.

Mr. McNEIL. The question was very nicely stated. My recollection is not quite his.

Senator MUSKIE. I think you have achieved your objective.

Mr. McNEIL. I would like to carry it one step further, if I may, sir.

It was very carefully arranged, because of such statements, that General Taylor would have the opportunity to present his case not only within the councils of the Joint Chiefs and in the councils of the Department of Defense. Also arranged was a schedule of presentations or discussions so that he could present anything he chose along with the Secretary of the Army, to the National Security Council and to the President.

The President overruled him on several occasions after such differing views had been presented. I wouldn't know what to do about it because I thought the President was the "boss" at the time.

Senator MUSKIE. I think you have made your position quite clear on the question of budget ceilings. I think your statement was a reasonable one.

I would like to follow that up with two or three specific questions to nail it down. I take it you do not agree that it would be wise to impose this kind of budget ceiling; that is, to have the Budget Bureau say to the Department of Defense, "Now, you have X billion dollars to spend for defense next year. Now, you come back and tell us how much defense we can buy for that amount of money."

This is the wrong use of the budget ceiling in the light of what you said.

Mr. McNEIL. The Bureau of the Budget, in some of their memoranda and initial budget letters, will convey that tone and such letters read very much along that line. Many times the Department has interpreted them exactly that way.

I look at it a bit differently, sir, in this way: Back in 1949, 1950, and 1951, it had been decided that we would increase the level of defense and carry it on at a rather high plateau looking ahead for some period of time and to avoid the old system of peaks and valleys.

The projections of what it might cost to get this reasonably high level of defense in the early part of the 1950's, 1952, 1953, and 1954 was in the neighborhood of \$35 billion, or a little more.

Therefore, as a result, the Bureau of the Budget the following year said, "We would like to see what an initial plan for the coming year looked like at the \$35-, \$37-, or \$38-billion level." I would not consider that the Bureau of the Budget was setting that figure.

It was a figure that was more or less agreed upon in the councils of the Government months before, as a general approach.

Now, the \$40-billion initial planning level came along in the late 1950's, after there had probably been price changes of 10 percent, so that really the initial ceilings were based on, let us say, a stable dollar and were still in the ball park, so far as overall planning was concerned.

As I mentioned a minute ago, looking ahead and making plans, whether initially it was 5 percent more or 5 percent less, does not mean that the final decision cannot take into account any important program that cannot be accommodated within the initial planning or initial target ceiling.

I know of no budget in recent years that came to the Congress in the precise amount established as the initial budget ceiling.

A couple of times less; several times considerably more.

Senator MUSKIE. I have had some budget experience as Governor of my State. I found it useful to adopt this procedure in the budget process:

I asked each department at the beginning of the budget process each year to provide three pieces of information: First, what would it cost you to continue services you are now currently performing; second, if that figure is higher than it is for the current year, why is it higher; third, what in addition do you think your department ought to be doing, or what services you think your department ought to be discontinuing.

The purpose of these questions was, first of all, to accumulate the information as to what current services would cost the taxpayers, but, in addition, to stimulate creative thinking relative to new programs.

Is this kind of question implicit, or should it be implicit, in the Budget Bureau's approach to the Department of Defense?

Mr. McNEIL. In my work with the Department of Defense budget, I construed a ceiling approach, with trying to ascertain what would you do with a little less, and what you are not doing that should be added?

I interpret the ceiling approach very much as you described the way you used it.

Senator MUSKIE. In other words, the ceiling should not be used as a means of discouraging creative thinking, or advances into alternative programs or weapons systems?

Mr. McNEIL. I did not interpret it that way, nor do I think did Mr. Lovett, and he had to operate under ceilings.

I don't think General Marshall did, and he operated under ceilings.

I don't think Mr. Gates considered it in that way.

But I want to add that I think the staff of the Bureau of the Budget, by the very nature of their operation, does think—as Ger-

trude Stein might have said—that the budget ceiling is a budget ceiling is a budget ceiling.

It would be perfectly natural for people in that line of work, and not being exposed hour by hour to operating people, to get that impression.

But I do believe that the Pentagon, the Army, Navy, Air Force, and the Marines, are pretty good at this business of presenting their views. I don't think that any ceiling they really didn't believe in would not be discussed a bit in private, if not in public.

Senator MUSKIE. In other words, you would agree that the budget ceiling ought to be high enough to enable us to do what is essential for the national security within time limits that are realistic in terms of the challenge that is being posed?

Mr. McNEIL. Yes, I would.

The corollary to that is a budget ceiling can be established at an approximate level in a knowledgable way.

Senator MUSKIE. I would like now, if I may, to ask just a few more questions and then I will suspend in order that my colleagues may ask questions.

I was concerned yesterday, as Mr. Hitch presented this package program, I was concerned as to whether or not this kind of programming or budget planning—I am not sure you can call it budget planning at this point—as to whether or not it could fit within the present organizational structure of the Defense Department.

Can you do this kind of mission budgeting or program budgeting or function budgeting within the limitations imposed by the existence of three services and their rigid organizational lines?

Mr. McNEIL. Personally, I would not like to see the budgeting done and appropriations made on the basis of the grouping outlined in the package plan.

However, if the proposal helps the present management to grasp the problem a little better, I think it is worthwhile. I think it might be helpful to know that x percent of our effort is going into the strategic retaliatory force, now to be called the central war offensive force. Such an evaluation can be accomplished within the present organizational structure.

I don't know that that in itself would change the number of B-52's kept in service, or not, because I think it is agreed that it is a very essential force that must be maintained and at a very powerful level.

I think continental defense has been a subject where the Senate was way ahead of the Pentagon in looking ahead and demanding better planning for continental defense in the last 4 or 5 years.

I think the Congress has forced the consideration of a little less enthusiastic use of some types of weapons that probably had outgrown their usefulness.

But if we find that 10 percent of our effort is going to continental defense, so what? Unless we at the same time find that we are not doing a decent job and then we might say, "Well, I wonder if we are not putting a little too much in the offensive strategic force or some other type of force."

If it will encourage that kind of provocative inquiry, it can be very helpful, I think.

As I tried to say in my statement, it was important to me—although I didn't make the decisions or "run the show"—to force consideration

of whether we were getting to the point that we were spending so much in research, development, test and evaluation that we were not buying enough "hardware" for the troops. Certainly you ought to buy something to fight with. You should not neglect research, but it seemed to me proper and necessary that there be a grouping which pointed up the issue and forced the senior military and civilian people of Defense—I am using the word "forced" loosely, perhaps—to consider the best distribution of effort between research and hardware.

I think it is a useful exercise. That is why I would not be critical of anything that would help the people grasp the problem better than in the past.

Senator MUSKIE. What you are saying is that this program package approaches a useful way of looking at the budget, but it really cannot be a new form of budget; is that correct?

Mr. McNEIL. That is correct.

Senator MUSKIE. I will suspend for the time being, Mr. Chairman.

Senator JACKSON. Senator Mundt.

Senator MUNDT. Thank you, Mr. Chairman.

I was pleased to read in your statement that you emphasized the importance of budget planning under the geographic approach. Of course, we are living in that era right now. Tonight we will undoubtedly hear a message from the President requesting changes in the budget based on conditions evolved out of the geographical area.

I wish you would dilate on that part of your statement a little further. You touched on it in the paper you presented, but it seems to me in terms of budget handling it also must play a rather important part.

Mr. McNEIL. I think it does play an important part. Again without reference to either administration, it is important even for nondefense matters, such as spending abroad or the gold outlook.

It emphasizes, I think, Senator, the importance of looking at this package from a number of different angles in order to grasp it.

With respect to weapons systems, the relationship between research and hardware, the effort, if we are going to maintain our position in the Far East, the 5th Fleet, 7th Fleet, in Korea or Germany, without an understanding of the resources that go into each effort, I don't believe the decisions will be as fairly considered, or as well done, as if there is a reasonable grasp of the problem.

I would like to mention in that connection, if I may, that so often there is an effort to be too precise and to think that such things can be worked out to the last dollar.

I have mentioned on several occasions, I think, that the senior people could probably decide whether the 6th Fleet in the Mediterranean was worthwhile if they knew one-sixth of the naval effort was put in the Mediterranean.

Whether it was precisely 15 percent or 17 percent. It wouldn't affect the decision, but an approximation, say, about a sixth, is very important, I think.

I think it is important to know that perhaps \$3 billion of our effort is going to the mutual defense of the continent.

But whether it is exactly \$3 billion, or \$3.1 billion, or \$2.9 billion Senator, would not affect the important decision to participate at about the present level in Europe.

An effort to be too accurate or too precise, can get the real objective lost in the details.

Senator MUNDT. In other words, what I think you are saying is that in the final analysis this whole business of defense gets down to the problem of what does it take to protect a given area of the world likely to be in trouble, whether it is continental defense, or whether it is one of our far-flung areas of interest.

This is the problem that must be met and it is impossible to predict with complete accuracy in December of any year what that problem is going to be in December of the following year.

Mr. McNEIL. That is correct, sir. That gets back to one point that I was touching on in response to another question a little earlier, and that is, if we budget by certain weapons system type compartments it tends to freeze the use of the forces thus supported.

Senator MUNDT. Precisely.

Mr. McNEIL. I would far rather support the forces at the approximate level we thought would do the job and then leave flexible the use of such forces where, as, and if, necessary.

But it is helpful to know in genuine terms at least, what part of your effort is being used in different ways and in different parts of the world.

Senator MUNDT. My next question is on this view of the problem of budgetary ceiling. I speak as one who has never been especially disturbed by the fact that ceilings are established because it seems to me in this era of necessarily colossal spending there is no substitute, no realistic substitute, for establishing some kind of ceiling.

Now, I may have a different concept of what the term ceiling means than some of the people who write articles about it, and indicate that our defense at times goes to the dogs because it is being held down artificially by a budgetary ceiling.

In a great many years on the Appropriations Committee, I can never recall the time when a service has been denied some essential piece of hardware because the ceiling has been set up sometime down at the other end of the avenue.

There are lots of ways of penetrating that ceiling. Sometimes the Defense Establishment can produce a change in the budgetary ceiling.

But if it gets down to the last ditch fight, the advocates of a specific project—whether it is in research or in the Air Force or in the Navy—are sitting in front of the Appropriations Committee, they do not lose all the valor that they are expected to show on the battlefield. If they are asked, "All right, this is what the budget asked, but as the man in charge, what do you believe you ought to have?" I have never noticed any great reticence for them to tell what they think they ought to have.

The Appropriations Committee very frequently goes over the budget in order to provide that.

For many years I was in the homebuilding business. Simply because we always had a cost target in building a house, we never left the roof off it if it cost another thousand dollars.

In your long years, can you think of any time when a fixed ceiling stopped the Defense Establishment from evolving in the way it should after it had finally gone through the long processes of budget hearings, clear through the final appropriation action and passage of the

bills by the Congress? In addition we frequently considered supplemental requests when there has been some short changing.

Mr. McNEIL. Generally speaking, certainly since 1949 or 1950, I can think of no time that a budget ceiling has prevented the presentation and full discussion of any item that senior people in Defense thought was really necessary.

Before you came in, Senator, I mentioned that I didn't think that "ceiling" used in connection with budget, was a particularly nasty word.

I have often prepared budgets without a ceiling when it could be done. It is a painful process. It takes a bit longer. You can with difficulty come out with about the same answers.

I recall in 1950 when I think preparation of the budget without a ceiling was a perfectly proper way to do it. In fact, I think using the ceiling approach would have been wrong. That was the first year just after the Korean hostilities began and it was decided to build up rather rapidly to a reasonable plateau. There was no long background in the United States, with 150 years of peak and valley experience as to what carrying on a high level of defense year in and year out for a long period would cost, or what was involved.

I think a very good start was made in listing everything that anyone could think they needed. It was possible then to go through and whittle it down, knowing full well, however, at that time that if you overbought certain engines or trucks, it could be balanced out the following year.

That method was used for a year or two and then sufficient experience had been gained—and this was without regard to which administration was in office—to know that the approximate plateau that the Government as a whole desired to have in the form of defense would cost in the neighborhood of \$35 to \$40 billion.

Therefore, to do initial planning the following year at that level seemed to be a good way to do it.

I think it was. The spending for defense is made up of millions of items all over the world.

Senior people and the President just cannot control, probably said facetiously, how often they mow the grass on an army or air base, but in cost items such as the maintenance of establishments, the maintenance and operation of equipment, ceilings can do a great deal to cause people to think carefully early in the game and not plan on expensive programs that are really not too important, not really vital to defense.

Senator MUNDT. In other words, the overall ceiling breaks down to a whole series of little ceilings for special operations?

Mr. McNEIL. That is right.

Senator MUNDT. So that each group that is charged with a ceiling has to make a determination as to which seven of eight items they prefer to have.

If there were no ceiling, they would say, "Let us take eight and put in a ninth." If there were a ceiling they would say, "Let us select the seven that have priority status."

It seems to me it would serve a function in that area. If you asked everyone in every phase of Government—especially in Defense—where the ramifications are so great, only the question, "How much do you want?" it would be a pretty hard thing to control and it is a pretty

evening to tell the Director of the Bureau of the Budget the "foolish" things that were being proposed, we thought it was healthy from the standpoint of the best interest of the U.S. Government to do it that way.

I think over the years there has developed, as Senator Mundt just mentioned, a greater knowledge in the Bureau of the Budget of the problems of defense, so it has become less and less an uninformed and strictly a dollar ceiling approach.

Senator MUNDT. I think that is correct.

That is all, Mr. Chairman.

Senator JACKSON. Thank you, Senator Mundt. We are very pleased to have with us this morning Senator Case. While the Senator is not a member of this subcommittee I invited him to attend the sessions.

Senator Case is a member of the Senate Armed Services Committee and he has been very active in all of these matters relating to national defense.

We are glad to have you, Senator Case, and you may proceed in your own way.

Senator CASE. Thank you very much, Mr. Chairman. I did appreciate the invitation to come, first because I have in my own heart and soul applauded the work which you and this subcommittee have been doing in attempting to study the problem of budgeting in relation to the meeting of our total requirements and particularly the national defense requirements.

I was also prompted to attend this particular session because of my own personal high respect for the work Mr. McNeil did while he was Comptroller in the Department of Defense.

I used to deal with military appropriations in the House of Representatives, and I have some familiarity with the hit or miss methods that were used at one time and some recognition of the work that was done by Mr. McNeil when he came in in 1947.

I noted with interest that Mr. Hitch yesterday recounted some of the reforms that were achieved in the simplification and the consolidation of different accounts and said:

For these notable achievements we have to thank my distinguished predecessor, Mr. W. J. McNeill, the first Comptroller of the Department of Defense who is scheduled to testify before this committee.

Then Mr. Hitch said he was the principal architect of these numerous reforms. That is a very well deserved tribute and explains in part my own feeling why I am particularly glad for the invitation to be here today.

I want to comment briefly on the general theme that has been discussed here and then I have a specific question to ask.

I share the respect which my colleague, Senator Mundt, has expressed with regard to the value of ceilings.

I have always thought that ceilings forced consideration of priorities and essentialities and in that sense they are constructive and creative.

One of the best statements for a defense budget that I ever heard made was made by General Marshall when he was Chief of Staff. He said that the problem that he had to deal with within the Military Establishment was the problem of "localitis," that every military com-

mander thought that the war was going to be won or lost in his particular theater, and his problem was in deploying his men and his materials, his equipment and his resources to get them properly deployed for the best overall result.

I think that is identical with the problem that Mr. McNeil here this morning stated when he said the budget problem within the Defense Department is to achieve the best possible balance among all our requirements.

It is essentially the military problem of deployment of men, materials, equipment. Applied to dollars, it is the best deployment of our dollars.

Then I also like what you said this morning, Mr. McNeil, that defense requirements themselves cannot be viewed in isolation, that within the Defense Department the different requests have to be viewed in relation to the total defense effort.

The defense program must be judged in context with the Government program as a whole, and in the light of other desirable objectives, particularly in the fiscal and economic area.

Now, the question I have relates itself to what you said at the closing part of your statement where you made an observation on the method of making appropriations. You said:

The principle of making appropriations for the Department of Defense based on full funding of either complete programs or usable increments of a program, is sound and should be continued.

Immediately the Congress is being confronted with the problem of making an authorization for the foreign aid program, which proposes both authorization and appropriation in the same bill, through the way of borrowing techniques applied to the Treasury or through the use of the demand authority upon the Treasury which would in effect draw funds from the Treasury without appropriations for a long-time program.

You advocate here in your statement, Mr. McNeil, the funding of a program in its entirety. You said:

The principle of making appropriations for the Department of Defense based on full funding of either complete programs or useful increments of a program is sound and should be continued.

The question I should like to ask you is whether or not you could make any suggestion for dealing with the foreign aid program. Do you feel that we should fund that in its entirety, or should we provide in some way for annual review so that the progress of the program and the fiscal position of the country could be taken into consideration each year?

Mr. McNEIL. With reference first to the method of appropriation in defense, there have been in recent years proposals, some of which got into the form of bills and hearings, which would go back to a system of contract authority and of appropriating cash on the basis of the volume of checks to be written in the forthcoming year.

In other words, if a \$100 million ship or other project was to be started and if \$10 million was to be spent in the first year, that was all that would be appropriated with additional increments each year until completion the fifth or sixth year.

I think the Department itself, the executive branch, and the Congress could better grasp the problem if the full cost of the project

is presented and considered and the full appropriation is made, even though actual spending takes place over a period of time. That is the system that we are using today.

We have gotten away from the contract authority system of the Department of Defense, and I think it is one of the healthiest things that has been accomplished in that particular phase of the appropriations process.

But you have been urged, and I am sure you will be urged again, to go on the basis of appropriating for cash expenditures. It would be a mistake to do so even though the idea is supported by some of the accounting fraternity.

That is no way to "run a railroad" or control it. You can't control a program at the time a check is written. You have to do it before the project is started. You can only do it by control of obligations although that is considered old fashioned.

As to the appropriations for foreign aid, I probably can't speak with too intimate a knowledge of the economic side of foreign aid, but we did have a bit to do with the military portion of foreign aid for a good many years.

I don't see any reason for any unusual authority for foreign aid. I am talking about procedures for the foreign-aid program and not the amount. I am not familiar with what is in the program at this time, so I can't venture an opinion whether it is adequate or inadequate, but the method of appropriation I would think, perhaps being a bit old fashioned on the subject, should be a direct appropriation for whatever size program is approved.

Now, I grant that in the military aid program and in the economic assistance part of the foreign aid program, there may be sizable portions in which the United States does not have a firm idea of exactly what should be done for the period ahead.

If so, I have found that the Congress in the past and the Department of Defense at least has gotten along pretty well; has provided funds that were not tied down too specifically, and changes could be made in a process called reprogramming.

In other words, there was some latitude in the use of funds if conditions should change.

Senator CASE. That device of reprogramming has been used in the Defense Department?

Mr. McNEIL. Yes, so either that device can be used within the framework of appropriating on a normal basis, or the provision of a certain amount of emergency type funds which are not justified or restricted in their use to any one particular project or area.

Senator CASE. It has been customary for each of the military services to have a little contingency or emergency fund that could be used for unforeseen problems.

Mr. McNEIL. The foreign aid appropriations have contained an emergency fund also. It has not been justified or restricted to particular projects of particular areas.

It would seem to me a better solution if the emergency fund has been inadequate to increase the amount but the basic principle of appropriation should not be changed.

Senator CASE. Thank you very much for inviting me here this morning.

Again I want to say that personally I appreciate the service that Mr. McNeil has rendered as Comptroller, during this period of time. He was one that believed it was not merely important to keep the store, but also to keep the score.

I do not know how the Government can be run unless there is someone to keep the score on obligations.

Senator JACKSON. I think we can all agree that the country owes a great debt to Mr. McNeil for his long service to the Government. He certainly served in a period of ups and downs and under most trying and difficult circumstances and we are fortunate that he was able to take time out from his busy schedule in business to come down here and to give of his time and effort in connection with the study that we are making.

Mr. McNeil, we have discussed budget ceilings quite a bit. I wonder if you would not agree in general that the important consideration is how one arrives at a budget ceiling. This is the question, the key factor, I am sure you would agree on that?

Mr. McNEIL. Yes, sir.

Senator JACKSON. In other words, we all have to realize that at some point you reach a ceiling on the amount that you are going to spend. As you say, if there is any emergency or any situation that needs to be specially presented then the door should always be open for that presentation.

If you allow each component within a service to come up with whatever they want, you can come to some rather astronomical results that will distort the whole effort.

Mr. Lovett, in his testimony before our committee, made the following statement which I thought was quite helpful; his statement was in response in this part of the record to the question that we had put and I will read it to you:

On the budgetary process, should State and Defense (and perhaps other agencies concerned with national security) participate fully in the initial establishment of budgetary guidelines for national security programs?

His answer:

I believe they should since a sound budget can only be developed if both State and Defense—the latter in particular—go painfully through the steps of determining (a) what is necessary (and not merely desirable) for national security; and (b) whether it is feasible from the point of view of national resources and production machinery; and (c) whether it is socially or politically acceptable to the people.

Then he concludes with this last paragraph in response to the same question:

An added reason lies in the importance of having the budgetary goal determined from the outset by a great concern for a system of priority of national need and not having them too greatly influenced by the officials of the Bureau of the Budget itself.

Do you think this is a fair statement?

Mr. McNEIL. I think it is a very fair statement.

Incidentally, he was one of my teachers.

Senator JACKSON. He has been one of ours, too, in the course of our study. Mr. Lovett is entitled to be called "Mr. National Security."

I gather what Mr. Lovett feels is that spokesmen for the principal elements that go into national security should have their say at an early stage and then the matter should be put to the President for

decision. It is at this point that the ceiling occurs. As I understand Mr. Lovett's view, it is that the bureau itself should not too greatly influence the ultimate substantive decision.

Mr. McNEIL. They certainly should not do it in isolation. Some years ago, I think they did in large part. I think it has been less true in recent years.

That may be a point you would like to bring up with Mr. Stans because he was a very worthy advocate of his position, but I will have to say that Mr. Stans did not go off and do it all alone. He expressed his views in the councils of State, to Defense, before the National Security Council and the President. Sometimes people didn't like the answers, but the mechanism, I thought, was proper.

Senator JACKSON. It seems to me that the vital thing is that we make sure that the departments which do and should play a role in national security have their day in court, so to speak, so that the President can have presented to him the hard and tough alternatives and then make the decision. You would agree with that?

Mr. McNEIL. Yes, sir.

Senator JACKSON. When you reach a budget ceiling in that manner, it is a sensible ceiling. But if ceilings are arbitrarily reached without proper consideration of the basic elements that go into national security, then we could say that we are getting into the arbitrary and capricious area.

I am asking this hypothetically and without reference to any particular budgets.

Mr. McNEIL. I agree with you. I feel very strongly that is the right way to do it. I felt strongly enough about it that I didn't have to urge, all I had to do was bring up the subject, that once we had to come to a certain conclusion within the Department of Defense, the matter was presented to the President, that if there were any items that had been the subject of serious discussion in the Pentagon that had not been included, that the Secretaries of the Army, Navy, or Air Force and the Chiefs of Staff or Chief of Naval Operations, should not rely on others to present their story, but they should come to the Cabinet room and present their story so as to be sure that it would be presented adequately and not be buried.

I might say, just in reference to a question asked earlier, that at the time of the statement by General Taylor the arrangement was made that each Chief would present his story separately to the NSC as to what he thought had not been included within the plan prepared in the Department of Defense. I think that was a proper procedure. I think it should be done regularly.

Senator JACKSON. I just have a few more questions.

Earlier I mentioned General Taylor's comment regarding the functional budget. You recall he did testify before our subcommittee last year and among other things he discussed the budgetary process at some length. The burden of his criticism was, and I quote:

* * * we do not know what kind and how much defense we are buying with any specific budget.

This kind of budgeting makes it hard to determine what our military posture will be at any given time in the future.

My question in this connection is this: On the basis of your experience, do you think that the Secretary of Defense had the information he needed to make the decisions about the kind and quantities of forces we needed to achieve our national security goals?

Mr. McNEIL. In general, yes. But there, again, I don't think the information today is adequate and it will not be completely satisfactory to each new group in the future.

I think the quality of the information can be improved. By that I don't mean just money or statistical data. I am talking about the capability of weapons systems. Can the system that is being proposed and discussed—because we are always talking about something in the future—be built? Will it be successful?

Can it come into service within the time scale that is proposed? Because if it is not, decisions can be made which are not sound.

So I would say it is a problem we were struggling with for years. It has been improved; it should be improved still more.

Anything that can be done to improve it should be encouraged.

But the information has been quite good. Not good enough, it never will be, but it has been quite good.

I mentioned in my statement that whether we believed in retrospect that the so-called new look was the right thing to do, it certainly was not done in a vacuum. It was done with the idea that there would be a certain strategic force that would have the highest priority. So on down the line, and about what it would take to do it. It has been carried out pretty well.

Now, the force strengths contemplated in the new look have never been reached. They have always been above it. In other words, they were not reduced as rapidly as initially planned because the conditions did not turn out to be quite as favorable as might have been expected.

The B-52 weapons system in 1952, I think, was an excellent decision. That was approved by Mr. Lovett. I mean the decision made initially. The program was costed to completion. A little trouble was experienced forecasting when the plan might come into service and what it would replace—also to validate cost projections.

I recall that instance very clearly because of the strong difference of opinion of the program's cost. Mr. Lovett got some outside help from the aircraft industry to help validate some of the things that my own staff thought might not be correct.

The fact was that when the decision to proceed was made it was known to be three or four times as costly as the initial proponents proposed but this did not mean it was not adopted. The Department still went ahead with the B-52 although I repeat it was known that it would be far more costly than the initial proposal indicated.

Senator JACKSON. But in time you did get a more accurate picture of the ultimate cost.

Mr. McNEIL. Yes; and it was deemed a necessary item and we went ahead with pretty full knowledge of what was involved, the number of people it would take, the number of planes. I think General LeMay might well recall the 4 days that were spent in going over the target system and so forth, with Mr. Lovett, and a representative group of

advisers to determine the general magnitude of forces which were to be equipped with that kind of weapon.

I don't think that these things have ever been perfect; they can be improved, but as I mentioned in an aside from the prepared statement, Mr. Lovett and the people who followed him as Secretary of Defense, General Bradley and the people who followed him as chairman of the Joint Chiefs of Staff, have not been completely idle. They have been working on this problem.

Senator JACKSON. What you are saying in connection with General Taylor's statement is that there is room for improvement in helping the commanders to get a better picture of what we have and what we are trying to do.

Mr. McNEIL. That statement puzzles me, however. I have heard it made before. I have argued about it a bit.

Anybody in his position can read the force statement. Certainly he had information available to him, to the last item in inventory, as to every conceivable type and size of weapon we had. Hopefully he knew what the Army had. Certainly it was not too difficult to find out, in general terms, at least the deployment of the Navy and the deployment of the Air Force.

There is one qualification in his statement as I read it in Mr. Hitch's statement of yesterday. In a particular budget, you are supporting forces not for a particular year. You are supporting a level for a longer period of time. You are buying new equipment not for the entire Air Force, Army, or Navy in any one year. You are buying an inventory or an increment of some larger program.

It seems to me it does not take too much study to get a pretty full grasp of what is being done. However, if it can be done in a different way, you can understand it better. I certainly would not be against a statistical grouping that would do it.

This present package would not do General Taylor much good, I am afraid, because it puts the whole Army except the antiaircraft missiles and certain overhead in one group.

Mr. Hitch made it very difficult for me today, I might add. Senator Case mentioned that he had said some nice words about previous progress, so I don't like to be critical.

Senator JACKSON. To refer again to the so-called functional approach, let us take the development of the POLARIS missile system, involving the marriage of the POLARIS missile with the nuclear submarine.

I was interested in this program from the very outset, going back many, many years. I found that in trying to get the Navy to do something about it, I ran headlong into the competition within the Navy for requirements in connection with their day-to-day operational needs, whether it was antisubmarine warfare or limited war requirements; whatever it was.

I was told that this strategic system would just eat away and erode their limited funds.

The result was that POLARIS was not pushed hard until sputnik came along.

What I am leading up to is this: If there had been some different approach where POLARIS could be evaluated as a part of our stra-

tegic striking force, it seems to me it would have been given greater consideration because of its obvious capability in this area.

Would you care to comment on that? I relate this only as a personal experience and it seemed to me that this is an item that might well have been budgeted separate and apart from the Navy because they were looking at it—and I do not blame them for their position, from a purely Navy point of view—looking at it within the limited resources made available to them.

I asked Mr. Hitch about that yesterday, too, and I would like to ask you.

It seems to me there should be some better and broader way of evaluating such a system.

Mr. McNEIL. I am not a weapons expert, but I think you backed a good horse.

Senator JACKSON. Thank you. It was a good horse to start with.

Mr. McNEIL. I recall your urging it at the time and I thought it was right.

A few "political" considerations enter into that situation. I use the word "political" in a broad sense. The Navy had been criticized for years for trying to get into the strategic business and there was a little reluctance to expose themselves directly to what, I would say, would certainly be recognized as a strategic system.

I think that had just a bit to do with it.

Next, I think that occasionally important programs like that can be pulled out and handled separately. I had a similar problem with the Navy earlier. I thought there ought to have been at least a few prototypes of supply ships built for MSTs. However, nobody wanted to include it in the shipbuilding program for the Navy so we started having a separate appropriation.

Every once in a while you do run into that type of situation. Sometimes it is narrow thinking. But also the POLARIS program was rather a new venture for the Navy in the sense that it was a complete package program with a single mission and something rather new to them.

I had to appear before a Navy board on two or three occasions on this problem because there was quite a little discussion on how to organize to develop that system. I think the special organization that was set up under Admiral Raborn has done a magnificent job.

There are a limited number of programs that I think could be specially managed like that within the naval structure. I think it is healthy organization policy to keep the regular pattern of organization intact, but, if necessary, to organize a special task force to do a job of this kind. To select and bring in at one point, 30, 40, or 50 of the most capable people to do a particular important job, I think is excellent.

As a matter of fact, the Navy does it at sea as a matter of habit. There is no specific definition for a task force. It is made up specifically for whatever job they have to do. It might include four carriers, it might have one.

So I think if we, on the whole, maintain pretty much a standard organization day in and day out, in maintenance and operation and in procurement, you have a healthy situation. You can always put an urgent tag on one product that is going through the factory and

have it successful. However, if everything carries an urgent tag, nothing happens.

Senator JACKSON. My only concern was the means of identifying a very worthy project like POLARIS was not the best at the time. It happened that the program was developed in the midst of competing requirements within the Navy which I do believe had an effect that was not the most advantageous to the Department of Defense and our defense posture as a whole.

That is why I raised it. I appreciate having your comments on it.

Mr. McNEIL. That is why I think that if this package type of proposal will help to bring it out, and encourage decisions along the lines of your remarks a few minutes ago, I think it is worth every bit of effort it will cost. While I would group the programs differently, if this grouping suits them, fine.

I still would not budget that way.

Senator JACKSON. I certainly commend you, Mr. McNeil, for your objectivity in these matters. One who has served as long as you have in the Department of Defense might be expected to have a very rigid approach to some of these things. I must say it is refreshing to note the judicial and impartial way in which you have answered the questions and approached this entire problem.

Mr. Tufts?

Mr. TUFTS. Mr. McNeil, there are two or three points I would like to touch on.

In his appearance before the subcommittee last year, former Secretary Lovett spoke of the need for long-range funding of certain research and development programs. If I may quote him he said:

* * * we need some form of budgeting for certainly half the period of gestation of any new weapon, which used to be in the order of 5, 6, or 7 years—about 5 years to take the low side.

That would mean, say, 2 to 3 years of funding for some approved experimental research and development purpose.

I wonder whether the reforms that were introduced in the Defense Department after Mr. Lovett left, while you were still there, move toward meeting the problem he referred to.

Mr. McNEIL. Yes, I think they do.

Some years ago there were no continuing type funds in the Department of Defense except for shipbuilding and construction. At the present time all research and development funds in the Department are of the continuing type. All, or at least, 99 percent of the major procurement funds, are of the continuing type.

Wherever you have continuing type funds available, first, you cut out the tendency for the June buying rush and can have a more studied approach to the use of funds, because June 30, the end of a fiscal year, has no particular significance.

The mechanism is such today that if in the judgment of the Department or administration or Congress they wished to finance or support by appropriations a long-range program, all it has to do is specify the amount or identify it in the committee report or have an understanding that it is so earmarked, and it is available as long or as far ahead as you choose to carry it—5 years, if you wish.

Today the funds for an aircraft carrier last—or are continued available—for 6 years. So it sits there available for the purpose.

In identically the same way, if Defense and Congress chooses to do it, it could be done for research.

The mechanism is available. The principle is established.

I might say Congress really has taken some very forward steps in the last 10 or 15 years, to finance the defense effort, to put it on a sounder basis than ever existed before World War II.

Mr. TURTS. I would like to refer to President Eisenhower's last budget message and read one final paragraph from the message:

The budget process is a means of establishing Government policies, improving the management of Government operations, and planning and conducting the Government's fiscal role in the life of the Nation. Whether that role is increasing, decreasing, or remaining unchanged, the budget process is perhaps our most significant device for planning, controlling, and coordinating our programs and policies as well as our finances.

I wonder if you could tell us a little about the use of the defense budget as a device for controlling and coordinating defense programs and policies?

Was it, for example, a function of the Comptroller's office to keep the Secretary and the President informed about the progress of defense programs, or lack of progress? Did you make use of the budget for what in business would be called top management control?

Mr. McNEIL. Yes. I never was satisfied with the adequacy of the product. Anything that my successors can do to improve the adequacy, I think, will be very helpful.

There was no particular problem on the money side.

But I never thought we were relating our progress reports from a scientific angle or engineering viewpoint—let us say the progress in the development of new missiles—with the money as well as we might. Anything anybody can do to help that situation will be taking a step ahead.

Is that responsive to your question?

Mr. TURTS. Yes, it is.

Do you think that there is important progress to be made in the Government, as you have observed it over the years, in the budgetary device as a controlling and coordinating procedure? I am thinking now of something more broad than defense.

Mr. McNEIL. I do. I have felt strongly about that over the years because while, as the chairman knows, and as has hinted a little bit even this morning, there have been times over the last 10 years that in attempting to carry out some of those ideas you just expressed, there were some who thought I tended to go a little bit too far.

Am I saying it nicely, sir?

Senator JACKSON. Right. I said earlier you were very impartial, fair, and judicious.

Mr. McNEIL. But I urged that within the Department of Defense the Comptroller function be established, and be established by statute. I discussed it with the Armed Services Committee at length some years ago. Mr. Eberstadt, whom I think the chairman knows quite well, helped very much in presenting the idea to Congress and as a result it became part of the National Security Act of 1949, with the hope that it would establish the principle very much along the lines that you are talking about.

We started from scratch in 1949 because up to that time the budget was just merely a device to present appropriations and it was not considered a part of the management tool of the Secretary or the management as a whole as it is today.

Mr. Lovett did a great deal to further this principle. He understood it very, very well.

Mr. Forrestal understood it very well.

It can be developed much further.

In fact, without their help, without Forrestal's basic thinking, I don't think some of those things would have been in the National Security Act today.

I would say more than the surface has been scratched, but they have a long way to go. They are still in grade school.

Mr. Tufts. Now, I would like to return a little reluctantly to this question of guidelines and make the point that I think has not been made.

One of the criticisms that is frequently heard is that important program decisions have had to be made in the hectic rush of final budget review. As I understand the approach now being introduced, it is designed to separate program decisions on the one hand from budgetary decisions on the other in the sense that program decisions would be made on a continuing basis throughout the year and that the problem of preparing the budget would be simply a matter of costing approved programs when budget time rolls around.

I wondered if you could comment on this approach. Is it possible to separate program decisions and budget decisions in this limited sense?

Mr. McNEIL. I think it is a worthwhile goal. I don't think it will be realized. I just don't think it is quite that simple.

Certainly a decision to proceed with an aircraft or a particular missile does not have to wait until the last minute in December, but as long as we live in the kind of world we have there are going to be changes and there will be last-minute decisions. I took the liberty of mentioning in my opening statement that a month or two ago I doubt very much if we could have found anyone who would have said that there had been a firm decision on what the press says will be presented tonight by the President. I would call that a last-minute change.

But to the extent that during the year you can firm up the fact that we ought to have an 1,800-mile POLARIS or a 2,500-mile POLARIS, I think you should try to do it. I thought that such planning had been done for a long time. Finally, however, you put the package together in December when it comes to Congress.

There was a time when we presented the budget in September, almost a year before the beginning of the operating year.

This was changed with the help of the Bureau of the Budget. It was changed back in 1950 with Mr. Webb and Mr. Pace and carried on through the succeeding years because of the peculiar nature of the defense budget and because it is recognized it ought to be prepared, incorporating the final decisions as late as you can, before the request is submitted to Congress.

Both the Bureau of the Budget and Defense have worked together in order to be able to keep open until the last minute in December

the chance for last-minute revisions deemed necessary. Now all decisions are not held until that time.

In previous years—I suppose they will go to Hyannisport now—we used to go down to Georgia for the final decisions in December. All decisions were not made then.

Perhaps a half dozen final decisions were involved at the time, some of them rather large, perhaps, some of them firming up tentative earlier plans, or just going over the last draft to be sure that what came to Congress represented the best thinking at the latest date possible.

The submission to the Bureau of the Budget in December, rather than the old practice of September, means that 3 or more months' experience can be put into the message. I would favor making decisions early but keeping the budget open as long as you could for up-to-date revisions.

I hope they will continue to make last-minute revisions but still make every decision as early as can properly be done.

Mr. Tufts. You have just alluded to the relation between the Budget Bureau and the Defense Establishment which reminds me that you have discussed the advantages of close involvement of the Budget Bureau in the preparation of the defense budget right along. Do you see any disadvantages in this from the point of view of the President?

The traditional notion has been that the Bureau should have an arm's-length relationship with the departments and agencies of the executive branch. Do you think that the procedures that have developed have interfered in any way with that arm's-length view?

Mr. McNEIL. Perhaps I did not make that point as clearly as I might have a little bit ago.

I mentioned it was rather a difficult type of relationship to maintain and continue, but to emphasize the very point you made, I think there should be a bit of an arm's-length relationship. I said it in a different way a minute ago. I said it was difficult to have them working in the Pentagon, reporting to work at 8 in the morning, but on the way home stop by and tell the Director of the Bureau of the Budget of the things going on in the Department of Defense.

We endeavored when I was there—and I am sure they do today to keep the arm's-length relationship, but still develop an intimate knowledge between the two agencies of what was going on.

Now, you have to "work" to keep this relationship. The minute that the Defense Department attempts to "seduce" the Bureau of the Budget staff the idea should be abandoned.

As long as they go back each night to report to the Bureau of the Budget, I doubt that that will happen.

Mr. Tufts. I have one last question. What role in your time did the unified and specified commands have in the budget preparation and would you see an advantage in strengthening their role in any way in the preparation of the budget?

Mr. McNEIL. No; I would not. I think their views are now pretty well presented, both directly—under the present type of organization—to the Joint Chiefs and joint staffs, to the Secretary of Defense, but separately, every one of them has their direct connection or "pipeline" to a military department, I think their view is pretty well presented.

I think if you get a unified or specified commander devoting more time to the details of the budget picture, I doubt if planning for use of the fighting forces assigned to them would be as good.

It seems to me they should emphasize that part of his job because those are the resources given to him to utilize. It is not a budget problem at that juncture.

Senator JACKSON. Mr. Kreger?

Mr. KREGER. I have no questions. I would just like to join in thanking Mr. McNeil for a most objective and useful statement. They told me before we started this morning that he had appeared before 90 congressional committees, during 1 session of Congress.

I would certainly say that your statement and appearance here this morning is testimony to your experience in the past. I appreciate your frank expressions.

Mr. McNEIL. Thank you, sir. I told you in order to reach that number that I doubled up on you. I counted the morning and afternoon as two appearances, and if I had to go at 10 o'clock to one place and at 11 o'clock to the other, I counted that as two.

Senator JACKSON. You have been away from it for 2 years, but I must say you have not lost any of your ability to be an able advocate before a congressional committee.

I just have one last question, Mr. McNeil, before we conclude.

As you know, this committee has been concerned in this part of our study about how we can obtain better talent in the Government and get them to stay.

You certainly have been a fine example of the kind of individual who was willing to stay on in the Federal Government and to carry a heavy load in both administrations.

I wondered if you have any general comments that you feel you could make that might be helpful in our endeavors to assist in every way possible to obtain the best possible talent in the broad area of national security.

Mr. McNEIL. I think your question, Mr. Chairman, touches on probably one of the most important aspects of government or defense and government as a whole because it is people that make this thing work.

There is a tremendous number of able people in government today, both in uniform and out. Many times the past 2 years I wished I had been able to have certain talent ordered to duty. It would be a lot simpler than my present task of trying to lure them away from government at apparently noncompetitive salaries. Considering the top level, however, I think the Government does not have the advantages of some able people in the country because of the conflict-of-interest problem.

If in some way we could define, either by legislation or a statement of principles, a policy in that regard, it would probably do a great deal to solve that one important phase of the problem.

Senator JACKSON. We are able to get these people here when a hot war gets underway. You were there, of course, during the Korean conflict, and we got whatever people we needed into the Government, did we not?

But in the long-drawn-out cold war, we run into the archaic conflict-of-interest statutes that really inflict damage on the security of our Nation.

Mr. McNEIL. Very much so. I recall Secretary Lovett making some calls and making some visits to secure able talent for Defense. In one case, we called 57 people before we could fill one job and we thought we only called good prospects, we didn't go out completely cold to recruit.

Secretary Wilson's confirmation was quite a celebrated case of conflict of interest. Later I thought it was interesting to see that General Motors which was No. 2 or No. 3 on the list of those holding defense contracts when he became Secretary was not even among the first hundred when he left.

Several people in General Motors, whom I know, were quite critical and in the future hoped nobody left that company for Government service because if they wanted to get their fair share of the business, they had better not have a representative in the Defense Department.

It seems to me in conflict of interest of that type—in his case the ownership of General Motors stock could have been accepted. Everybody knew he had been there most of his life and certainly would have some sympathies, but at the same time knew that he would probably have to lean over backward to be sure his former company would not benefit. You live in a goldfish bowl in one of these Government departments. Under such circumstances it would appear that if he would file a list of securities, et cetera, with the parent committees in the Congress—in this case the Armed Services Committees—not requiring him to dispose of his securities—I wonder if you would not have a pretty safe system because I know of no one that I have served under, Mr. Forrestal, Johnson, Lovett, Wilson or McElroy, or Mr. Gates, that would not lean over backward to be objective. I am sure Mr. McNamara would lean over backward to see that his former connection did not receive an unwarranted advantage.

As a matter of fact, Mr. Lovett, when Secretary, would not touch anything in connection with the Union Pacific Railroad, just because of family relationships even though he held no securities in it.

That is the kind of people that future Presidents are going to select for these important posts and I think the parent committees of Congress would be sufficient watchdogs because the press, the radio today, and the Federal employees, are not going to let people get by with much.

Now, I think a great deal can be done by the Government, the administration, itself, and the executive branch in making Government jobs more attractive.

I am not thinking at this juncture of salaries alone, but there is the feeling among many employees that they are martyrs if they work for the Government. They are not—at least I don't think so.

I got a great deal out of it. Certainly I did not make any money, but I had the satisfaction of working with some very wonderful people in this country.

I am wondering if we are doing quite as much as we could to convince people who are now working or who could be induced to come that working for Uncle Sam is quite respectable and really a very decent way to live.

I think the salary levels for certain of the higher grades are too low. The United States never will pay as much as industry in the very top grades, nor do I think it should. Nevertheless I think the levels at

the Assistant Secretary and perhaps the next two or three layers, are too low.

The Executive and Cabinet members are too low.

I would not object to seeing Senators and Representatives getting more.

Senator JACKSON. I will relay it to my colleagues.

Mr. McNEIL. I think you could do something along that line. Generally speaking, the Government pays more today for the intermediate levels than does business.

Senator JACKSON. This is where the bulk of your personnel cost occurs. Is that not true?

Mr. McNEIL. That is right.

Senator JACKSON. I mean raising it in some of the key spots in the higher echelons would not be as costly, relatively speaking, would it?

Mr. McNEIL. You could not find any better way to spend a limited amount of money. However, in the middle grades it is different. I know a dozen people in Washington I would like to employ. They are in the middle grades, staff people, but they are getting more today than I can pay them.

I would have to change the whole salary scale of 50 or more very competent people in our organization if I employed any of them. So I can't.

But when you get just above those grades it is no trick at all. We can siphon them off without any trouble because our senior salary scales are just a little bit above them.

Senator JACKSON. In other words, selective salary adjustments could be a very helpful factor in retaining and obtaining better people?

Mr. McNEIL. It would, indeed. I don't know whether it should be the Civil Service Commission, probably not; or perhaps the White House, who should take the lead in selling both present employees and outsiders on the advantages of working for the Government. And there are many. In many positions—I repeat—they think they are martyrs to work for Uncle Sam, and it is not correct, in my opinion.

Senator JACKSON. We certainly thank you very much for your important comments. Again, our thanks to you for helping us with our study. We are very grateful to you.

The next witness is Mr. Maurice Stans, former Director of the Bureau of the Budget on Monday next, at 10 a.m., to be followed the following day on Tuesday by Mr. David Bell, the present head of the Bureau of the Budget.

Thank you.

Mr. McNEIL. Thank you very much, Mr. Chairman.

Senator JACKSON. The committee stands in recess until 10 a.m., Monday, July 31.

(Thereupon, at 12:35 p.m., the subcommittee was recessed, to reconvene at 10 a.m., Monday, July 31, 1961.)

THE BUDGET AND THE POLICY PROCESS

MONDAY, JULY 31, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m. in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Mundt.

Staff members present: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members; and Roderick F. Kreger, minority counsel.

Senator JACKSON. The subcommittee will come to order.

The subcommittee continues today its hearings on the problems of the budget as a primary executive instrument for the planning and management of national security policy.

This series represents one part of the subcommittee's broader study. That broader study is to determine how our Government can best staff and organize itself for the demanding years of cold war which stretch ahead.

The budgetary process lies at the very heart of national security planning and programing. Policies without dollar signs attached are mere statements of aspiration. It is the budgetary process which converts them into actual programs.

Last week we took important testimony from Mr. Charles J. Hitch, Assistant Secretary of Defense and Comptroller, and Mr. Wilfred J. McNeil, president of the Grace Line, Inc., and former Comptroller of the Defense Department.

This morning I am delighted to welcome as our witness, Mr. Maurice H. Stans, president of Western Bancorporation, Los Angeles.

Mr. Stans needs no introduction to members of this committee. He served as Director of the Bureau of the Budget in the Eisenhower administration from 1958 to 1961. He is highly qualified to discuss the role of the budgetary process in the making and execution of national security policy.

Mr. Stans, it is a real privilege to welcome you to the committee this morning and we will be delighted to have your statement.

I understand Dr. Ralph Reid, a former Assistant Director of the Bureau of the Budget, is with you and he may during the course of the questioning respond to some of the matters that may be asked. We are delighted to have you too, Dr. Reid.

STATEMENT OF MAURICE H. STANS, PRESIDENT, WESTERN BANCORPORATION AND FORMER DIRECTOR, BUREAU OF THE BUDGET, 1958-61; ACCOMPANIED BY DR. RALPH REID, FORMER ASSISTANT DIRECTOR OF THE BUREAU OF THE BUDGET

Mr. STANS. Mr. Chairman and members of the committee, I very much appreciate the invitation to meet with you today and to discuss some of the problems related to organizing our Government for national security. Certainly this subject is one which is vital to our future as a nation, and the committee is to be commended for the serious attention which it has focused on it.

The committee's careful and judicious consideration of the points of view offered in these hearings can lead to valuable conclusions that will strengthen the national capacity for survival. This will be true even if the committee concludes that in many areas past and present procedures are not susceptible to significant improvement—since the endorsements of the committee, where appropriate, will strengthen the confidence of our citizens in the management of our affairs in these times of stress and tension.

Although the responsibilities of a Director of the Budget are manifold, it seems to me that there are two areas which are of particular interest to this committee: (1) the assistance given to the President in respect to the Federal budget; and (2) the aid provided to the President in regard to the organization and management of the Federal Government. Within this compass I thought it might be helpful if I were to devote some time in these initial remarks to two separate areas in which in one way or another I carried responsibilities: (1) the budgetary process; and (2) the organization of the Executive Office of the President. These two subjects, of course, relate to the efficiency of the staff assistance available to the President.

THE BUDGET PROCESS

For perspective, I would like to touch first on a few elementary facts about the budget process:

1. The Bureau of the Budget is a statutory arm of the President. In budgetary matters it does not operate in a vacuum. It undertakes to carry out the express or implied policies of the President. It acts as it believes the President would act if time permitted him to deal with each particular situation in the light of all the known facts.

2. The annual budget is the President's budget. The decisions which it reflects are his—not only as to programs and activities but as to fiscal policy.

In other words, the major budgetary function of the Bureau is to evaluate priorities and issues for the President and to advise him of their relationship to his policies. All of the Bureau's activities in the budget process are directed to the end of preparing a document which represents the President's concept of national needs and priorities. From this the Congress exercises its judgment in making appropriations.

One even more elementary fact: Budgeting is choosing among spending alternatives. If there is enough money to meet all demands, and no choices are necessary, then the plans are no longer a budget

but a spending list. Actually, there is never enough to go around—which means that it is necessary to fix the priority of claims on resources. Priority may be recognized by inclusion of a request in whole or in part, or by rejection.

It is natural then that there may be dissatisfaction with this process by those dedicated, determined people in the Government agencies who seek more funds than they receive. They sometimes fail to see that their own budget requests are based on subjective, provincial points of view. Only the President sees the overall measures of the Nation's needs and can keep them in proportion. (If I may be permitted a less serious note, I think the matter is summed up in a phrase which I used some time ago and which has since been publicly referred to as "Stans' Law": "Effective budgeting is the uniform distribution of dissatisfaction.")

Thus it is also natural in budgeting for an organization as large as the Government of the United States that there be misunderstandings. These misunderstandings result in various accusations, some of which have crept into these hearings: The Bureau of the Budget is "arbitrary and capricious." It "fixes ceilings." It is "preoccupied with balancing." It "controls our defense policies"; and so on.

My first and perhaps major point here today is a defense of the budget process and of the Bureau of the Budget as essential to the Nation's organization of its activities. If there were not a budget process basically similar to that which we have there would be fiscal chaos. If there were not a Bureau of the Budget there would have to be another agency under another name performing the same functions.

With all this as background, I come now to the matter of how the process works and how it can be improved, to the advantage of the President, of Congress, of the national security and of the taxpaying public.

In this regard, it has seemed to me that perhaps it would be most useful if I were to discuss seriatim some of the principal questions raised about the budget process during the past year—both before this committee and elsewhere. I am sure there are other questions to which you would like me to respond and I should, of course, be happy to do so later.

The question which appears to have been raised most frequently is whether our national security processes and our budget processes have been closely enough related. During my term of service as Director of the Budget, I was quite convinced that they were.

This is not intended to mean that there are no opportunities for betterment in the mechanics of budget analysis and presentation. Some notable improvements were made in the last few years, other changes are now being planned, and as time goes on there will surely be found many ways of making more clear the significance of budget proposals. But I do mean that there has been, I believe, every reasonable opportunity for the exposure, communication, advocacy and evaluation of program ideas advanced by all agencies, including Defense, and that the President formulated his budgets under these conditions.

Perhaps the second most frequently raised question has been whether the budget process, over the past few years, has permitted the Budget Director to impose ceilings on the Department of Defense.

Over 2 years ago I testified under oath on this question before the Preparedness Investigating Subcommittee of the Committee on Armed Services of the Senate. For your own records I should like to repeat again what I said at that time in response to the question:

Have you fixed a ceiling or formulated a target for the 1961 budget?

My reply was:

Well, I want to answer that carefully because the choice of words is very important. I have not fixed a ceiling this year and did not fix one last year.

I do think that it is important, in considering a budget of this size, to take a look at it at various levels. By that, I mean I think the Department of Defense should determine what kind of defense it can provide for \$40 billion.

If this is done and everything is given its proper ranking in priority, then it can be determined whether or not it provides an adequate program, which items are next in rank of priority that should be considered, and which items are marginal or least essential. This does not mean I think that the defense of the country can unquestionably be satisfied for \$40 billion. It means that as a matter of method I think the Department should start with a figure of that general magnitude and see what kind of a budget it can prepare at that level, and what, if anything, is then left out that is still sufficiently important that it has to be added.

That, in my opinion, is not a ceiling at all and it is not a target either. It is a method of procedure that I think is a desirable one to follow. I think all agencies of the Government should use a similar approach.

In the context of today's hearing, with the committee looking for constructive ways of improving the budget process, I would like not only to reiterate this view but to express a related thought. There is a tendency at budget time for both defense and nondefense agencies and subordinate units to look at a budget for one year as a "floor" for the next year, with new programs and other growth entirely additive. To accept this would be to ignore the responsibility to require the older items to compete properly with the new in priorities. Every item in a budget request should be severely tested, and this cannot be done unless some flotation process is found to bring to the top the lesser or marginal items of the previous budget. This is why I believe so strongly that a budget base for one year should start at a point significantly less in total than the previous year, and that items proposed for addition to that base should be evaluated in relative importance and need, whether old or new. Only by this means will less important going programs ever be retired or reduced.

This leads to a question, raised in one of this committee's early reports, of whether there might be advance preparation of alternate budgets for major national security programs. The report noted:

Some wish to see one proposed budget at X dollars; another at perhaps 10 percent below this level; and still another at perhaps 10 percent above. Such a procedure, they hold, will permit policymakers to see more clearly, and sooner, what is sacrificed and what is gained at various expenditure levels. Can and should this be done?

In actuality, in the development of the Defense budget the past several years, this is substantially what was done. Since we had to take some common starting point, we selected the total expenditure figure for the current year and asked the Department of Defense what the adequacy would be for the next year of a budget which provided

either the same amount of money, or 10 percent less, or 10 percent more. The Secretary of Defense used this formula, but with other percentages.

Pursuing the matter a step further, however, it has also been suggested that the budget document itself might well reproduce these alternative possibilities. I have considerable doubt whether this would be feasible. The budget must necessarily reflect decision rather than indecision, and in any event the budget message itself can and should provide in regard to certain major programs some explanation of why a particular course of action was selected. It is the responsibility of the President to recommend, and it is not conceivable to me that any purpose would be served by parading anywhere in the budget some or all of the items that he does not recommend.

Another question which frequently arises is whether or not we would profit from budgeting for longer periods of time—say for 5 years. Here I believe we should distinguish carefully between planning and budgeting. There is no question but that *planning* for years ahead is desirable. However, *budgeting*, in the sense of seeking appropriations for such periods of time, could create several types of serious problems.

PRIORITIES

The net effect of a multiyear budget for any period for any program is to give that program an absolute priority over all other programs which do not enjoy such an automatic availability of funds. In other words, in the preparation of each year's budget, it would be necessary to allocate to such a program whatever amount had previously been appropriated in advance, regardless of the requirements of other programs. Assuming that funds are not unlimited, and since the controllable portion of the annual budget is relatively small, this could effectively destroy budgetary management.

LOSS OF CONGRESSIONAL CONTROL

Depending on the year in which it was approved, a 5-year program budget could deny to one or even two succeeding Congresses any control over that program through the appropriations process.

INFLEXIBILITY

One of the most serious objections to any 5-year budget lies in the fact that it is almost impossible to project requirements so far ahead, even if one pays no attention to the priorities of competing programs or the projected availability of funds. The 5-year projection may turn out to represent more than is actually required, so that adherence to the plan would represent a waste of funds. If the projection turns out to represent less than is required the result is to place completely undesirable restraints on the program.

A fair question is whether what is really intended in discussions of multiyear budgets is the provision of some minimum amount for a 3- or 5-year period, with these amounts augmented each year to meet presumably new and pressing requirements. In such case, of course, it is no longer a 3- or 5-year budget.

None of these objections applies to long-range planning, and that is certainly to be encouraged. As you know, it is relatively easy for the Government to start an activity with a small amount of money, with clear knowledge that subsequent expenditures will be much greater. Unless the full implications of ongoing programs are projected well into the future, the aggregate significance of enacted commitments may not be recognized, and this can have a disastrous effect on future fiscal management of the Government.

For some years, the Bureau of the Budget has required most of the agencies to develop 3-year estimates of requirements, and these have entered to some extent into the President's consideration of new proposals. Without doubt this procedure can be improved and extended, but I would express the caution that any public use of future projections should be clearly labeled as tentative and for planning purposes only, so as not to imply any commitment of future resources.

The committee will undoubtedly be interested in knowing that in January of this year I delivered to the President a 10-year projection of future Government spending. Although this is a public document, it does not seem to have received the attention it deserves. As a guide to future planning, it provides a projection of amounts of spending by 1970 at three levels: one somewhat austere, one which carries on the trend (and the commitments) of the last decade or so, and one in between these extremes. Further study and work along this line should be encouraged.

ORGANIZATION

Perhaps the most important question which can be raised with respect to organization for national security is to ask what process can best assure that the total intellectual resources of the Government are made available to assist the President in making crucial policy decisions.

Several points are critical here. First, that in making such policy decisions the President have available the advice of all those counselors whose responsibilities bear on the matter at hand; there is no substitute in the making of policy for the participation of those who will be charged with carrying out that policy. Secondly, and equally important, is the matter of confrontation—of assuring that proponents of alternative courses of action, or of modifications of proposals—debate each other before the President; no other procedure will as rapidly expose the totality of facts bearing on the problem. Thirdly, and also very important, that communication of policy factors and decisions be precise; this means that oral reports of considerations and policy conclusions will not do, because they are too often incomplete and inaccurate, or become so as they pass through agency networks. Carefully written and debated policy statements, approved by the President, are essential to avoid confusion and worse.

Just how a President assures that these concepts are achieved is, of course, a matter for his own determination. Personally, however, I thought the national security policy process as it has evolved over the last decade, and as I participated in it, met these requirements well.

A second question which might properly be raised is how the Executive Office of the President might be better organized to meet the

President's requirements. In this connection I would like very much to recall to you certain points which President Eisenhower made in his last budget message.

He wrote:

The duties placed on the President by the Constitution and the statutes demand the most careful attention to the staffing and organization of the President's office. While the present organization of the Executive Office of the President reflects many constructive steps taken over a period of years, much remains to be done to improve the facilities available to the President. The first requirement for improvement is for the Congress to give the President greater flexibility in organizing his own office to meet his great responsibilities.

Specifically, the Congress should enact legislation authorizing the President to reorganize the Executive Office of the President, including the authority to redistribute statutory functions among the units of the Office; to change the names of units and titles of officers within the Office; to make changes in the membership of the statutory bodies in the Office; and, within the limits of existing laws and available appropriations, to establish new units in the Executive Office and fix the compensation of officers. Such action would insure that future Presidents will possess the latitude to design the working structure of the Presidential Office as they deem necessary for the effective conduct of their duties under the Constitution and the laws. Enactment of such legislation would be a major step forward in strengthening the Office of the President for the critical tests that will surely continue to face our Nation in the years to come. These matters are obviously devoid of partisan considerations.

My experience leads me to suggest the establishment of an Office of Executive Management in the Executive Office of the President in which would be grouped the staff functions necessary to assist the President in the discharge of his managerial responsibilities. In an enterprise as large and as diversified as the executive branch of the Government, there is an imperative need for effective and imaginative central management to strengthen program planning and evaluation, promote efficiency, identify and eliminate waste and duplication, and coordinate numerous interagency operations within approved policy and statutory objectives. The establishment of an Office of Executive Management is highly desirable to help the President achieve the high standards of effective management that the Congress and the people rightfully expect.

I have given much personal study to the assistance the President needs in meeting the multitude of demands placed upon him in conducting and correlating all aspects of foreign political, economic, social, and military affairs. I have reached the conclusion that serious attention should be given to providing in the President's Office an official ranking higher than Cabinet members, possibly with the title of First Secretary of the Government, to assist the President in consulting with the departments on the formulation of national security objectives, in coordinating international programs, and in representing the President at meetings with foreign officials above the rank of Foreign Minister and below the rank of head of state.

I would urge that this legacy of thought by an outgoing President, after 8 years of experience with the burdens of office, be seriously considered by this committee.

CONCLUSION

Now, in conclusion, I would like to recall one other paragraph from his fiscal year 1962 budget message, in which President Eisenhower said:

The budget process is a means of establishing Government policies, improving the management of Government operations, and planning and conducting the Government's fiscal role in the life of the Nation. Whether that role is increasing, decreasing, or remaining unchanged, the budget process is perhaps our most significant device for planning, controlling, and coordinating our programs and policies as well as our finances. Thus the President and the Congress will always need to give attention to the improvement and full utilization of the budget system.

As to ways and means for improving the overall budget process, I would have two suggestions.

First, although the President presents one budget for the entire Government to the Congress each year, the Congress considers the budget in a multitude of pieces rather than as a whole. Financing methods outside the regular appropriation process (so-called back-door spending) are one phase of the problem. The complete separation of the handling of tax legislation from the consideration of appropriations and expenditures adds to the total difficulty. There would be marked gains if the Congress could find a mechanism by which total receipts, total appropriations, and total expenditures could be considered in relation to each other.

Secondly, I believe that future Presidents ought to have the authority to veto items of appropriation measures without the necessity of disapproving an entire appropriation bill. Many Presidents have recommended that this authority be given our Chief Executive and more than 80 percent of the States have given it to their Governors. It is a necessary procedure for strengthening fiscal responsibility, and a proper way by which the President can, in effect, ask the Congress to reconsider an item. As in the case of other vetoes, the Congress would have the authority to override an item veto.

I would not be wholly in character if I did not end with one plea. The protection of the Nation's security requires that we be economically strong as well as militarily strong. We could lose the cold war as easily by the pursuit of unsound fiscal policies that resulted in impairment of our money and our economic strength as we could by neglect of our military resources. In times of tension such as the present, the budgetary flexibility we need to meet emergencies can be provided only if all Americans exercise restraint in their demands for more nonmilitary domestic spending programs. I hope the committee, in whatever conclusions it reaches, will emphasize this point.

Senator JACKSON. Thank you, Mr. Stans. I know I speak for the committee in expressing our appreciation for your coming here today and putting the time and thought into the presentation you have made.

Mr. Stans, it has been stated, or at least some people have the idea, that the Bureau of the Budget itself has grown into a big department that is much different today than was originally conceived; namely, when the Budget and Accounting Act was passed in 1921. The idea was that it would be a personal arm of the President in assisting the President to work out budgetary matters and improve organization. Some feel that the Bureau of the Budget has become rather large and unwieldy and it has sort of become a power unto itself, separate and apart from the President.

Would you care to comment in general on that?

Mr. STANS. I would like very much to comment on that because I think this is a common field of misunderstanding, and I think it is very important for the effective operation of the Bureau in the future that any questions like this be answered.

Senator JACKSON. I think it is a basic question because it accounts for the fact that the Bureau of the Budget is made the target of various claims and counterclaims and countercharges and so on.

Mr. STANS. I think that is right.

First, as to size, during the time I was Director we had approximately 420 people in the Bureau. Of these, only about 250 were directly engaged on the budgetary process. The others were engaged in the other responsibilities of the Bureau in the coordination of legislative matters in the executive branch, in the improvement of management, and in the improvement of accounting and statistics.

That, obviously, is more than the original structure of the Bureau in 1921, but, of course, in 1921 the budget of the United States was somewhere between \$2 billion and \$3 billion and now it is above \$80 billion in addition to large amounts of money that go through the Government trust funds.

As to the function of the Budget Bureau, I think it is quite clear that its sole responsibility is to act as staff to the President, as his right arm in the management of the Government. In a sense, it is a business manager over the Government operations. The Bureau, as I said in my statement, operates under guidelines laid down by the President. It does not make decisions in its own name. It makes whatever conclusions it reaches and whatever action it takes in the name of the President.

This, of course, is frequently misinterpreted as the usurpation of power by the Bureau itself, and it leads to a great many of the attacks on the Bureau that it is arbitrary, capricious, and so on.

As I said in my statement, also, this is a responsibility that someone has to perform. The President has only 24 hours a day and by the provision of 250 people in the Bureau to review the programs of the Government, the President is given what amounts to another 2,000 hours of time in a day for the review of what is going on and for the review of the plans for the future.

The Bureau gets its guidelines from the President in the state of the Union message and the budget message and the economic message and individual conferences with the President, by the representation of the Director of the Budget in the Cabinet, and by the presence of the Director of the Budget in meetings of the National Security Council.

Its sole purpose is to interpret in every action it makes the views and desires of the President. If the Bureau fails in any case in this respect, or if an agency believes it is not carrying out the wishes of the President, that its interpretation of the President's policies are incorrect, the agency has the right and the opportunity of going to the President as an appellant with the Director of the Bureau of the Budget, discussing the matter and getting the President's decisions.

I think by this process the Bureau effectively serves the President and that in this procedure it does not exercise any independent powers, and that the rights of the agencies are fully protected in every respect.

Senator JACKSON. In your experience, did you have a close and continuous working relationship with the President on the matters you mentioned?

Mr. STANS. I would say that in the 3 years that I was Director of the Budget I probably saw the President more often than anyone in the Government, except the people on the immediate White House staff. It was almost a daily matter to meet with him and review some

problem or other, in addition to the regular attendance at the meetings of the Cabinet and the National Security Council.

Senator JACKSON. In other words, there is a real effort to keep the President currently and continuously informed from the standpoint of carrying out his directives, determining his policies on a given matter, and making sure that progress reports are given as to what is happening.

Mr. STANS. Exactly that. From time to time specific progress reports were given him as to the course of budgetary events, as to the course of other directives that at one time or another he had issued, and obviously he also initiated on his own a great many questions as to how specific matters were proceeding.

Senator JACKSON. In other words, major decisions which are announced by the Bureau of the Budget are really the decisions of the President even though the President is burdened by a multitude of things. I take it it has been the policy of the Bureau of the Budget that the President really makes these decisions.

Mr. STANS. Exactly that.

Senator JACKSON. I am asking these questions not with reference to President Eisenhower, but as to the instructions of the Bureau of the Budget and how it operates. You can base your answer only on your experience, but we are trying to get at the operational effect of the Bureau.

Mr. STANS. It is exactly as you describe.

Senator JACKSON. I do not want you to think my questions were personal in that respect. I just wanted to get at the operation of the mechanism.

You feel at least on the major decisions, the President had to delegate to you the exercise of judgment in carrying out the details of his major point of view in a given area?

Mr. STANS. Yes. Obviously the President could not consider all the details of the application of each policy that he had enunciated. If we ever had any doubt as to what the President intended, he was available and we would ask him what his purpose was or exactly the ground rules under which he wanted us to operate on that particular subject.

Senator JACKSON. Obviously in the budget there are items that are far more critical than others. I would like to ask a question or two in the area of national security.

Was it your job, as you saw it, to let the President know what the alternatives were in the vital area of national security in formulating the final budget as it was to come up to the Congress? Could you mention it as far as you can without getting into details about the National Security Council which we will cover in the executive session?

We are applying the rules, Senator Mundt, which were adhered to previously in that regard.

Mr. STANS. We had a special procedure for dealing with the budget affecting the Department of Defense. It was a procedure adopted because of the complexity of its budget and because of the time factors. That procedure was to participate with the financial officers of the Department of Defense in a review of the requests of the various services for budgetary allowances.

By participating in the review, we were able to formulate questions, to raise doubts, and to make suggestions as to changes in the requests of the services and present these suggestions or doubts or questions to the Secretary of Defense for his consideration. The Secretary of Defense always did respectfully consider any such suggestions or questions that we advanced to him and in some cases agreed with us and in some cases disagreed with us.

If, at any time, we were not satisfied with a decision of the Secretary of Defense on a matter which we had raised, we had the right, and many times did so, to go with him to the President for consideration of a particular item. But the basic point I want to make is that the Bureau of the Budget did not arbitrarily reject or assume the power arbitrarily to reject any item in the budget of the Department of Defense which was proposed by the services or by anyone.

What the Bureau of the Budget did was to question or challenge or to express doubts about the necessity of a program, the size of a program, the timing of a program, the cost of a program or any other features in the budget requests, and convey these doubts to the Secretary of Defense for his consideration.

Senator JACKSON. In the final analysis, did you make a recommendation on, say, defense, to the President as to what the overall budget would be and then the Secretary of Defense would make a recommendation and then, I assume, one from the NSC level?

Mr. STANS. It did not work quite that way because we dealt with specific issues and specific programs in our consideration of the Defense budget. When all of these specific issues and programs were resolved, either by the Secretary of Defense to our satisfaction, or by the President—one way or the other—the budget then was the result of all of the considerations up to that point and there were no further issues to be resolved in respect to the total size of the budget.

Senator JACKSON. But you did not start from the premise that it was going to be \$40, \$41, or \$42 billion, or if you added something, something else had to be automatically taken out.

Mr. STANS. No, we did not start from that premise nor did we start with any preconceived idea that the Government had to stop at a certain figure and everything above that had to left out.

I would like to refer to some testimony before this committee which is so inaccurate that it should be corrected. This is a statement by one witness in two short paragraphs:

All of us know how the total budget has always been prepared—except in shooting wars. First, a budget ceiling is determined. This rests upon a judgment about national income, taxes and Federal debt, and the most recent levels of Government expenditures.

Once the total budget ceiling is set, the more or less fixed costs of domestic programs are subtracted. What is left is available for national security. Only in time of shooting war do we begin by asking, "What do we need?" The rest of the time we tailor the defense program to fit the budget. The ceiling is usually an arbitrary judgment figure.

I would say that statement is totally incorrect. If I have not fully cleared up in my statements how the process works, I should be very glad to answer any more questions to show that it just does not work in the way this witness testified.

Senator JACKSON. I have other questions, but I will defer them until later.

Senator Mundt?

Senator MUNDT. Thank you Mr. Chairman, and thank you, Mr. Stans for a very interesting and informative statement. I did not hear the beginning of it but I have read it. I think I will pick up where the chairman left off.

As I understand this process you were describing, that was taking place at the time it did, it provided that any one of the service heads, from the Defense Department or the Pentagon, could if he were persistent enough in his viewpoint, carry his views right up to the top before the budget was finally submitted to the Congress. Is that the way it would work?

Mr. STANS. I would say that is exactly correct and that is the course that frequently happened.

Senator MUNDT. Under that process, anyone charged with a responsibility of any type of defense whether it would be missiles or ships or tanks or men, believing that he is right, has a right to go up to the President. The President eventually rejects or approves.

Mr. STANS. That is correct.

I would like to amplify that a little more because the question frequently comes up as to the qualifications of the personnel in the Bureau of the Budget to raise this type of question. I testified previously before the Congress that the Bureau of the Budget does not fix or question military strategy. It does not have anything to do with war planning. But it does have people who are qualified as specialists in military budgeting, people who have had many years of experience, some of them with 15 or 20 years of reviewing defense programs, defense program costs, timetables and projections. They have such a capability, I think, because their tenure in some cases exceeds that of those whose responsibility in the Department of Defense it is to prepare or recommend the programs. I think their capacity in this respect makes them extremely valuable in asking questions, in challenging the programs or a particular proposal, in challenging the estimates submitted as to what a program will cost, and in general questioning the validity of the assumption and the basis underlying budget programs and proposals.

They also may very well question the apparent duplication of programs as between services, the apparent necessity of a particular program at a given time and in many other ways ask the question "why?" This I think is the proper function of the Bureau of the Budget. If a question can be properly and satisfactorily answered, no further objection remains. If the problems cannot in the opinion of the Secretary of Defense or in the opinion of the Bureau of the Budget be resolved, the only recourse is to take the issue to the President. I think this is a responsibility that has to be performed by someone in Government, someone has to represent the general public and the taxpayer in asking why so much money is being spent, and this is the right role for the Bureau of the Budget in our national security program.

Senator MUNDT. Chronologically, Mr. Stans, just when did the Bureau of the Budget come into being as a functioning institution such as it is today as you have described it? We did not always have it. Before we had the Bureau of the Budget, what did we have?

Mr. STANS. Before we had the Bureau of the Budget, before 1921, each agency prepared its own submissions to the Congress and the only

central act performed by another agency was that of one clerk in the Treasury who added them up and sent them to the Congress for consideration. There was no budgetary process at all.

Senator JACKSON. Was that true during World War I?

Mr. STANS. To the best of my knowledge it was.

Senator MUNDT. I was just going to ask if we went through World War I without some type of Government control.

Mr. STANS. It is my understanding that we did not have the present control or anything similar to it.

Senator MUNDT. We were living in a time when the necessity for a budget was not as clear cut as previously. In 1921 the concept which you have described began to evolve.

Mr. STANS. Yes, there is one somewhat significant change since 1921 which I think I ought to mention. The original concept of the Bureau as outlined by the first Director, Dawes, was that it was not in any sense a policymaking institution and did not participate in any way in the making of policy. Subsequently, and particularly in the Eisenhower administration, the Director of the Budget did play a part in the making of policy in the sense that he was a regular member of the Cabinet and was invited to attend and participate in meetings of the National Security Council. It gave him an opportunity to raise questions and to express doubts and frame issues at the time policy was developed rather than exclusively later on in the application and interpretation of policy.

Senator MUNDT. The Bureau of the Budget frequently writes letters to congressional committees now in conjunction with departmental reports. The departments write in and say the Bureau of the Budget has no objection to our making such and such a statement. That is standard operating procedure in reports from the departments on legislation which does not involve expenditures at all—just pure matters of policy. So I think now the Bureau of the Budget during the Eisenhower Administration—I believe this was true back in the Truman and Roosevelt eras—insisted on a little paragraph which indicated that the Bureau of the Budget had looked the situation over and had passed judgment on it.

Mr. STANS. Since 1921, the Bureau has been given additional responsibilities from those with which it originally started. Some have been by delegation by the President and some by new legislation. The one responsibility that you refer to is the process of legislative clearance within the executive branch, and for that purpose the Bureau has a staff of some 80 people who review legislative proposals from the agencies and who review the views of executive agencies on other legislative proposals. The purpose of this is very simple. The President enunciates his program and it is important that there be unanimity of opinion among the agencies as to how his programs are to be carried out. Therefore the Bureau serves as a clearinghouse for the expression of views of the agencies on legislative matters. If there is a difference of opinion between two agencies on a matter of legislation which in one way or another affects both of them, the responsibility of the Bureau is to get them together and try to get a uniform attitude toward that particular legislation. In that respect the White House staff and even the President himself may play a part in reconciling the views of the agencies or in deciding which of the views

should be supported. This is essentially a mechanical function in the Bureau of seeing that there is coordination and unanimity among the executive agencies in the development of the President's program.

Senator MUNDT. The function is twofold. The most important is fiscal control. It also functions as a house of coordination between the various departments and bureaus of Government to avoid jurisdictional overlaps and duplications and disputes. It functions like the Parliamentarian of the Senate. If we just put bills in the hopper and just grab for them we would not have much order. Sometimes Senators disagree and argue it out and on rare occasions change the designations. In government you have to have correlation. As I envision the Bureau of the Budget, while its reports are not dealing with fiscal affairs, it does serve as a sort of a house of coordination or catalyst for keeping government from knocking itself out from internal disputes.

Mr. STANS. Yes; it sees that the executive branch speaks as one voice.

Senator MUNDT. I thought you made a tremendously interesting point when you said that the Bureau of the Budget or congressional Appropriations Committees sometimes have a tendency to feel they have done pretty well if they look at the budget for last year and use that as a floor without bringing into focus the realities of the situation. Some previous expenditures sometimes have no legitimacy at all in the new budget and barring a new source of expenditure, there should be a sharp cutback. I wish you would discuss that further because I think it strikes a fallacy both in the executive departments, on the hill, and with the public. There is some kind of Sir Galahad merit about not exceeding the previous year's budget, without examining whether there were previous expenses which did not have a right to recur.

Mr. STANS. That is one of the most difficult things we have to contend with. If an agency assumes a 5-percent increase in workload, it usually assumes it ought to have a 5-percent increase in its budget.

If the Bureau of the Budget made allowances on that basis, our expenditures would be tremendously greater than they are. I feel that any additional items proposed should not only be examined but the whole composition of the agency's budget has to be rescreened annually. The worst thing that could happen would be merely to add a factor for an increased workload to an existing base. Sometimes it is difficult to review all of the activities of an agency annually in connection with each budget and it is for that reason that I felt from my experience in the Bureau that the test to apply was the test of the agency's own ideas of its priorities. For example, if an agency had a budget of \$100 million and wanted another \$10 million for new programs, I would like to see that agency prepare its budget as it would operate if it had \$80 million or \$90 million, to see what it really considers to be the most essential of its activities. The result of that is to bring to the top, as I said, the marginal items, those which are of lesser value, and make them compete with the \$10 million of proposed new items, and thereby determine which really is of most significance and of most value and of greatest need to the activities of that agency. In that process, it is possible to fix the real priorities

and I think this is one procedure that ought to be used for every agency of the Government.

Senator MUNDT. I want to develop that a little further because I think in that area there is real chance for economy. Budgets come up to the Hill and our Appropriations Committees look at them. We could think of the budget in terms of sort of setting in motion a parade of priorities, having a comparison of last year's expenditures with next year's expenditures. I think some items have to be chopped off and I think that is especially true in defense. There is a tendency to hang on to the almost antiquated defense instrument tool or hardware even after we go into a new era when we know we need missiles and jets and so forth. I recall we were maintaining stables a long time after people thought you would never use a horse in another war, but for sentimental reasons, constituency reasons, and many other reasons, we continued in that direction. We were buying saddles almost at the same time we were buying jets. If we got this thing on a priority basis, somebody at one end of the avenue or the other would say, "What are you going to do with saddles?" What is a pilot to do with a saddle when it is in the cockpit of a plane?

Somebody might go around with an investigator and find 10,000 saddles in a warehouse and discover that it was too bad we bought them because we didn't need them. In this budgetary business we should think in terms of priorities and comparisons.

Mr. STANS. I think the phrase "parade of priorities" is an especially apt one and I would like to add to what you said one other point which I think is very important to our national security activities and that is this: If by failing to disclose or uncover the less valuable and marginal items in an existing budget, the result is to leave out some new item that is of real value and real importance to our national security, we thereby weaken the defense posture of this country. Every item in a budget ought to be on trial for its life each year and matched against all the other claimants to our resources.

Senator MUNDT. I would like to ask you a question now concerning a new concept that Mr. Hitch dropped before our committee. He was talking in terms of missions, studying the orthodox procedures and policies and in terms of a 5-year program instead of a single-year program. Looking at it now from the standpoint of the budget office and the White House do you have any comments to make on that?

Do you feel that would result in any economy?

Mr. STANS. As I understand Mr. Hitch's proposals—and my familiarity with them is only in the last 24 hours since I had time to read his testimony—he covers two grounds. One is a suggestion that the defense budget ought to be planned ahead for more than one year, and the second is that the structure of the defense budget ought to be supplemented by another form or method of presentation that divides the expenditures in the budget for the programs in the budget along functional lines. I would say that I am in general agreement that this is a good procedure, that it can be very helpful to the Secretary of Defense, to the Bureau of the Budget and to the Congress in evaluating the proposals that are made for defense spending.

Certainly I would not agree that we should appropriate for defense purposes for more than 1 year in advance, but I think it is very

important that the Congress and all concerned know the implications of the beginning of a program in 1 year on the budget requirements of future years.

As you know, it is easy to start a program with a small amount of money and have the requirements grow year after year, so I do believe, as I said in my opening statement, that some method of projection or of planning of expenditures and requirements over a period of years is very desirable in the Department of Defense and it is very desirable in connection with the overall budget.

If I may say a little bit more about the package plan that Mr. Hitch presented for the reclassification of the items in the budget along functional lines, this is a procedure which the Bureau of the Budget itself adopted in less formal style during the several years that I was Director. In other words, we did not deal in our analyses with the requests according to services exclusively or according to the basic categories of the budget in terms of personnel, construction, procurement and so on. We were interested in a breakdown of the budget to determine what we were spending in the various functional areas of our defense, such as the amounts that were involved in the budget request for our strategic striking forces as a whole, for our continental defense as a whole, for our ground and sea forces, and for the supporting activities. This would give us a basis for determining the extent to which there might be overlapping of concepts between the services because we brought together the uses to which the expenditures would be put rather than the unit by which they would be used. As I say, we did this on an informal basis and it was very helpful to us in analyzing the budget requests and it was helpful to us in raising questions and issues for the Secretary of Defense and the President to consider.

Mr. Hitch's procedure would formalize that and as I understand it he would use this cross sectioning of the budget or this vertical analysis of the budget as a supplement to the regular budget presentation. The functional characteristics of the budget would be analyzed and revealed to the Congress as a basis of considering the validity of the requests in each of these various fields. I think that is good.

I would have only one doubt that I would express, and that is whether or not the procedures that are proposed might be quite time-consuming and somewhat expensive, and whether or not it might not be possible by dealing with the relatively major items in each of these categories to have the picture in somewhat simpler and a less detailed way. I am sure that Mr. Hitch and the Secretary of Defense will consider that point and if the method of collection of the information is too cumbersome that they will simplify it and streamline it. That is the only doubt I have with respect to that suggestion of Mr. Hitch's and the program that he is carrying out.

Senator MUNDT. I have a number of other questions but I should now like to direct your attention to your concluding thought in which you point out that it would be most helpful if the Congress could have a mechanism by which total receipts, total appropriations and total expenditures could be considered in relation to each other. That certainly is a tremendously significant challenge to Congress and I think it is a goal to be desired.

I don't suppose any Member of the Congress, and I am not sure any member of the Government could tell us what actually are the total receipts, the total appropriations and the total expenditures of the Government in any given year. This is because of a hybrid type of expenditure program, which we have. Part of it is identified by the slang expression, "Back door spending," obligational authority or contractual authority. It gets to be pretty complex in terms of financial jargon and is hard to interpret in terms of what we have actually done.

Could you go any further than you say in your statement:

There would be marked gains if the Congress could find a mechanism by which total receipts, total appropriations, and total expenditures could be considered in relation to each other.

Could we perhaps arrange to put out public documents so that people would actually know how their Government is faring? What could we do to come closer to achieving this goal? I think we are reaching the peril point from the standpoint of fiscal responsibility.

Mr. STANS. This is not a new idea, Senator. It has been discussed a number of times and recommended by President Eisenhower and other Presidents in budget messages. There have been some suggestions as to how this could be done. One perhaps might be a joint congressional committee on the budget which would deal with the budget as a whole and express its views on it prior to the time that the appropriations committees took any action on the individual parts of the budget or prior to the time the Ways and Means Committee considered any pieces of legislation dealing with taxes.

There may be other ways of looking at our financial situation as a whole. But I think this is the important substance of the suggestion: obviously the considerations of any segment of the budget by the subcommittees of the Appropriations Committee are subjective considerations that deal with that one subject only and not in terms of the overall financial predicament of the Government. Unless there is a way for the committees before they deal with each of these individual subjects to see the picture as a whole, we may very well find ourselves in the position of committing ourselves to new legislation and in appropriations to greater amounts of spending than we can afford.

There was one step that was instituted while I was Director which I think was a very small step toward accomplishing this overall result, and that is that I appeared as a witness before the House Appropriations Committee with Secretary Anderson in a discussion for a day or two of the budget as a whole. I think that gave the members of the Appropriations Committee a general view that they might not otherwise have had, but obviously it was only an informational discussion and there was no way in which the committee could express any conclusions that had been reached or take action on them as a whole.

I do think we need some better mechanism for the Congress to look at the revenues and the expenditures not only for the current year but over a period of years and to adjust policies accordingly as the conditions indicate.

Senator MUNDT. How much of a function of the Budget Bureau is it considered to be in connection with the possibility of submitting to Congress more frequently supplemental messages recommending

curtailment of expenditures in certain areas? We get a great many—three or four or five or more—supplemental messages from the Budget Bureau for increased expenditures if something new comes along. How much thought is given to sending a supplemental to Congress recommending that an item should be cut back? Is this a novel idea or is it heresy?

Mr. STANS. It is not an entirely novel idea. During my term of office, however, we did not use supplemental messages as the basis for suggestions for reducing expenditures. In most cases reductions in expenditures can come only by changes in the basic legislation. For that purpose we used the budget message itself as the means of making the various proposals. In each of the last several budgets, we listed somewhere from 10 to 20 items of recommendation to the Congress for changes in laws that would make it possible to reduce existing programs or to eliminate them. As the specific individual messages were sent up dealing with those particular subjects, we reiterated those suggestions.

Where it was possible to propose reductions in programs without changes in legislation, we made those proposals directly in the original budget submissions for the agencies.

I might say that it was somewhat discouraging to find that we were not very successful in recommendations for reductions in expenditures.

Senator MUNDT. I know that, so I just thought it may not be a bad idea if the Budget Bureau established a precedent in sending up messages on supplemental expenditures. I think we could get a little more help from the Budget Bureau in this direction. We appreciate and understand the request for additional funds. Nobody can predict Berlin. Nobody can predict Gagarin and the challenge of space. It would seem to me if we could adopt a *modus operandi* whereby the Budget Bureau, when it sends up requests for additional funds, would recommend curtailment of some of the expenditures previously recommended it would help recognize the importance of the new impact on the budget. Would this be out of reason?

Mr. STANS. Not at all, and I would say I would welcome this or any other approach that would focus the attention of the Congress on the necessity of reducing or eliminating existing programs in order to pay for new programs and especially in order to meet the requirements of national defense.

Senator MUNDT. Congress sometimes does try in its timid and awkward way to reduce expenditures and existing programs when these new and necessary expansions of expenditures occur. But if we could get the same kind of intellectual and persuasive guidance from the Budget Bureau for reduction as we do on expenses, I think Mr. John American taxpayer would go out and buy a new hat and we would be happy for him.

That is all I have.

Senator JACKSON. Mr. Tufts?

Mr. TURTS. Mr. Stans, 2 years ago in a speech, you said that:

If we go about it in the right way, we can consider the Federal budget as a mirror of the great purposes which motivate us as a nation.

In other words, if I understand you, the role of the Budget Bureau should be much more than that of a "nay sayer." How would you describe the Bureau's positive role?

In your experience did the Bureau ever urge upon the President the importance of larger programs in the area of national security—for example, defense and foreign aid? Did you conceive it to be part of your job as Director to advise the President whether the departmental programs were adequate to the great purposes of the Nation?

Mr. STANS. The Bureau has several positive roles. One of its roles is the responsibility that it has and carries on for the improvement of management within the Government. It has a staff of people whose time is devoted to the introduction of modern management techniques, of the modern processes of management, and I think it works quite effectively.

For example, one of the responsibilities that the Bureau undertook on its own volition in the last few years is that of exercising surveillance over the introduction of electronic data processing and equipment in the various agencies. It has the responsibility for the improvement of financial management in the Government and for the improvement of statistics.

In addition to this, it possesses a very positive role in connection with the agencies by making recommendations to them in the course of the year, and particularly at the time of the annual budget review, as to how their operations may effectively be improved or how services may, in one way or another, be improved or how unnecessary activities may be eliminated.

In other words, our attention is not devoted strictly to dealing with money amounts. It is devoted as well to the better management of the affairs of the agencies and in that sense, of course, the money amounts are secondary.

Mr. TURTS. I would like to pursue this with reference to programs. Did the Bureau have any positive role with reference to these programs? In your experience, for example, did the Bureau ever urge to the President the importance of larger programs in the area of national security, for example, foreign aid or defense?

Mr. STANS. I would say that there have been a number of occasions in the past in which the Bureau has questioned whether the amounts of expenditures or authorizations for a given program were adequate to accomplish the objectives of the program. There have been some of those, both in the military and in the civilian agencies.

Mr. TURTS. Did you conceive it as part of your job as Director to advise the President, then, whether departmental programs were adequate for what you call great purposes?

Mr. STANS. I considered it our responsibility to do that just as much as to indicate that programs were excessive or unnecessary.

I might say that the occasions for us to make recommendations along that line were very much less frequent, because the agencies themselves did a pretty good job in asking for all the things that they thought they could effectively carry out.

Mr. TURTS. Apart from the item veto, what reforms of the budgetary process did President Eisenhower particularly desire? Was he fairly well satisfied with the way the budgetary process worked?

Mr. STANS. I would say that that was only one of the more significant of the various budgetary improvements that we thought ought to be made. As a matter of fact, there were continuing studies of the budget mechanics and procedures by the Bureau and quite a number of improvements that could be made administratively that were made through the time that I was Director. There were reports issued to the President as to the nature and number of these improvements.

There were other improvements that could not be made without legislation and these were listed and recommended in the annual budget message.

For example, in the budget message for 1962's budget, there were six items listed as recommendations for legislation that would improve the budget processes. These specific legislative proposals were:

- (1) Establish revolving funds for major business-type activities.
- (2) Extend budget provisions of the Government Corporation Control Act to certain mixed-ownership corporations.
- (3) Review and reduce number of permanent appropriations.
- (4) Repeal requirements for reservations of foreign currencies, and require accounting for their use in the same way as dollar transactions.
- (5) Eliminate requirements for annual authorizations for continuing programs.
- (6) Authorize the item veto for appropriation bills.

Mr. STANS. All of these, we thought, and the President thought, would have some significant benefits toward improving the budget processes.

Mr. TUFTS. Did President Eisenhower have any specific thought in mind as a way of improving the budgetary process as a means of controlling and coordinating our programs and policies? I am referring to the paragraph that you quoted from his last message in which he spoke of the budget as our most important means for controlling and coordinating programs and policies.

Mr. STANS. I would be inclined to say that except for those I mentioned and except for the continuing improvement in detail, I do not believe that the President had anything specific in mind and that nothing specific comes to my mind as I sit here today.

I think the budgetary process is in a state of evolution and it always is subject to improvement, both in terms of the review, and also in terms of public understanding, which I believe is also very important to effective budgetary control.

Mr. TUFTS. One of the questions which has interested the subcommittee is following through on the execution of policy. It seems to some of us studying these problems that this is an area in which improvement is very much needed and I thought perhaps you might have some specific thoughts about the use of the budget as a device for controlling and coordinating.

Mr. STANS. I am not sure that I understand the question. Do you mean follow through in the sense of actions by the Bureau of the Budget after appropriations are made?

Mr. TUFTS. Yes, to see that programs were carried out as they were supposed to be.

Mr. STANS. I think the Budget Bureau is quite conscious of its responsibility in that field. It has the responsibility by law as you

know to control apportionments of the funds to the agencies in such a way that the amounts available are not dissipated early in the fiscal year and then turn out to be inadequate.

It also has the responsibility and it does act to see that even after funds are appropriated, if the purposes have changed or if the requirements have changed, they are not spent.

For example, the simplest illustration I can think of is that if the Congress appropriates a given amount of money to the Post Office Department on the assumption that it is going to handle 65 billion pieces of mail per year, and it turns out because of business conditions that only 63 billion pieces are going to be handled, the Bureau of the Budget very definitely undertakes to work with the Post Office Department to place in reserve some of the moneys appropriated to it that ought not to be used to see that they are not, in effect, dissipated beyond actual needs.

Mr. TUFTS. Did you, for example, make your own studies of the conduct, say, of the foreign aid programs, to see whether the programs were accomplishing what, in your judgment, they were supposed to accomplish as a basis for your review of the coming year's program?

Mr. STANS. We made some informal studies along that line. I would not say we ever made a thoroughly comprehensive analysis of our foreign aid program, but members of our staff did make studies on spot locations of what was going on and did make recommendations of one kind or another.

We did under section 604 of the Mutual Security Act, last year, make a study in the Bureau of the Budget of the organization of the mutual security activities and this was the subject of a report early this year.

Senator MUNDT. In this area of followthrough that we are talking about, Congress has something which is somewhat tantamount to a budget bureau of its own in the Office of the Comptroller General. We have set it up to serve us and check on funds.

I wonder what, if any, coordination there is between the Office of the Bureau of the Budget and the Office of the Comptroller General.

Mr. STANS. His responsibility is essentially a postaudit. He reviews the application of funds after they have been spent and determines whether they were spent in accordance with the purposes of the Congress and were spent efficiently.

What we do is follow very closely the reports of the Comptroller General and in, I think, 1959 or 1960, we issued an order to all of the agencies requiring them to deal with these reports in a certain way and keep us informed of their action with respect to the criticisms and recommendations of the Comptroller General so that we could at all times be satisfied that any appropriate actions were taken, that corrections were made, and that any resulting savings to the Government were reflected in future budgets.

In addition to that, there was another coordinated activity known as the joint financial management improvement program in Government. This was a joint activity conducted by the Bureau of the Budget, the General Accounting Office and the Treasury Department, exercising intensive effort to cause the modernization and improvement of accounting processes in all of the agencies.

Senator MUNDT. This sounds interesting. Is this a new development—a continuing development—and does it function today? To whom does this group report. To the Congress or to the White House or to the Bureau of the Budget? Or is it a matter of self-discipline among the groups?

Mr. STANS. This is a program which was instituted about 11 or 12 years ago and it has been carried on quite aggressively during this entire period. Its activities are reflected in a quite voluminous annual report which is made available to the President and to the Congress, in which the accomplishments of the program are recited and to some extent the deficiencies in the agencies in meeting their statutory and practical accounting requirements are noted.

Senator MUNDT. Does it move in the direction of trying to provide this composite picture referred to in the paragraph that I cited in my final questioning to you to provide the mechanism by which total receipts, total appropriations and total expenditures might be considered in relation to each other? Does it operate in that area, too?

Mr. STANS. No. It has not particularly operated in that area. It has operated more in connection with the refinement and improvement of the accounting processes, the reporting processes, the procedures of analysis, statistics and cost accounting in the individual agencies of Government.

Senator MUNDT. It seems to me you have in that kind of committee just about the proper experts and authorities to operate in the area of making suggestions to Congress about some mechanism which they might evolve to provide this composite picture.

Mr. STANS. I have felt, Senator Mundt, that the executive branch does a pretty good job of relating expenditures and authorizations to expected revenues. This is done by the Bureau of the Budget and the President in the review of the annual appropriations requests. I think the inadequacy that exists is basically that in the Congress itself, in dealing with, as I said, these appropriations request on a purely subjective basis, and while suggestions of one kind and another have been made as to how these procedures might be improved, the Congress itself has not found a way of accomplishing the results which have been sought.

Senator MUNDT. Are you thinking in terms of this joint appropriations commission report that we are talking about?

Mr. STANS. I thought something like a joint committee on the budget or something of that sort could review the budget first before there was any consideration of appropriations by the Appropriations Committee or any consideration of revenue-raising legislation by the Ways and Means Committee.

Senator MUNDT. As you know, we have two joint congressional committees which are functioning rather successfully and rather fruitfully, one on taxation and one on atomic energy. Both of these committees have justified the joint committee approach, but in the field of appropriations we have had difficulty with our Members in the House who rightfully believe that the Constitution imposes upon them some special responsibilities on appropriations. They are understandably reluctant to call in the Senate and say, "Let's call in the Senate and say 'Let's operate on a par in this matter,'" I think it is a goal to be sought.

I have joined in the sponsorship of legislation to produce it but we need a little more education in the House.

Mr. STANS. There is, also, I believe, a Joint Committee on the Economic Report.

Senator MUNDT. I am a little less enthusiastic about that than the other two.

Mr. STANS. I do not believe it addresses itself with particularity to the budget as a whole. But a joint committee on budget could hold a limited number of hearings on budget requirements for a given year, on the proposals of the President, on the implications of these proposals over a period of years, the relationship of the budget to economic conditions, present and expected in the near future, on the implications of the budget to the national debt and other factors; it could be a very salutary benefit to the Appropriations Committees and to the Ways and Means Committee in the consideration of revenues and expenditures in their individual facets.

Senator MUNDT. I think that is right and I have joined in sponsorship of that type of resolution. The Senate has passed it but the House has not. Both the chairman and I have been Members of the House and we understand the House's position. I am pretty well convinced that the House is never going to pass it.

Perhaps this triumvirate group that you mentioned might give study to other suggestions and how the goal might be achieved. I think there might be other roads to the top of the mountain. I don't think we are going to succeed in inducing the House to relinquish a special responsibility which the Constitution places in their hand. But I don't want to abandon the ship on the concept.

Mr. STANS. I would not expect the House to waive any of its constitutional prerogatives, and that is why I would suggest a joint committee on the budget rather than a joint committee on appropriations. I think a joint committee on the budget could review the fiscal policies of the Government in light of economic conditions and in the light of trends and other factors and express its conclusions which would be helpful to the House in exercising its constitutional privileges on appropriations.

Senator MUNDT. Every time a Senator walks into a committee room with a House Member, the House Member is suspicious of any conclusions we might reach. So I would recommend you experts in the field of making recommendations to the Congress try to find some ways the committees of the Congress, acting independently, can achieve the same goal. That, I agree, can be achieved better if we operate together.

We have expressed ourselves and we have held out the olive leaf several times.

Mr. TUFTS. I would like to turn for a few moments to the Office of Executive Management. Could you tell us something more about what its place in the executive office would be, what its specific tasks would be, and in what ways would it be especially helpful to the President?

Mr. STANS. A discussion of this was pretty thoroughly presented to the committee by Nelson Rockefeller in his testimony last year. Essentially—and I participated in a great many discussions on this with the President and with members of the White House staff, with Gov-

ernor Rockefeller's Committee on Government Organization, and else where—it is based on the conviction that there should be a better way to give staff aid to the President in the business management end of the Government and a better way to organize these various activities that fall within that responsibility.

Essentially, the thing that troubles me is the fact that the management activities of the Government, being in the Bureau of the Budget, have a cast which makes them in a sense subordinate to the budget functions. I think the reverse ought to be true. I think the budget functions ought to be a subordinate element of management. If you were to do that then you would come to the conclusion that we ought to have an office of executive management in which budgeting would be one of the activities; the improvement of management in all of its ramifications would be another.

The general aspect of longer range planning of the affairs of Government would be one that would come under the general category of management and would be within this organization. I think there are some units that for expediency did not fit anywhere else in the Government that the President in recent years took into the White House staff that could well be part of the Office of Executive Management. This is an extension really of the philosophy that was recommended in one of the commissions in about 1939, at which time the Bureau of the Budget was removed from the Treasury and given added responsibilities. Another 22 years have gone by and I think it is time to look again at the business management of the Government, at the part that the Bureau of the Budget plays, the part of the various units in the White House that relate to this field, and pull them all together into one staff unit reporting to the President.

I think that in that process, as I said earlier, budgeting should be one aspect of management and that the focus should not be wholly on budgeting with management subordinated.

Mr. TUFTS. A number of these functions are at present in the Bureau of the Budget?

Mr. STANS. Yes; some of them are in the Bureau of the Budget and some of them are in the White House office.

Mr. TUFTS. Would the Director of this office have more powers than the Director of the Bureau of the Budget has?

Mr. STANS. He would have the same powers but the scope of his activity would be increased. I think, for example, he should undertake more responsibility particularly in the field of long-range planning and consideration of Government activities.

Mr. TUFTS. Would his relation with Cabinet members be any different from those of the Director of the Bureau?

Mr. STANS. I would think not.

Mr. TUFTS. I think you were referring to the Brownlow Committee recommendations.

Mr. STANS. That is right.

Mr. TUFTS. They recommended that there were three major management functions that could be placed in the Executive Office of the President: Personnel management, fiscal management, and what he called planning management, I believe.

As I understand it, you think of the Bureau as the President's principal management agency at present and the Director as the principal manager for fiscal affairs. Should the director of this new

office also have responsibility for personnel management and planning management?

Mr. STANS. I would think so. You mentioned three essential functions—personnel, fiscal management, and planning—and the concept which Nelson Rockefeller testified to and which I feel would be extremely valuable would add to that two others: One, the existing process of legislative clearance within the executive branch which is an essential function that fits nowhere else and, two, the various aspects of the improvement of management, the improvement of accounting, and the improvement of statistics in the Government which are now subordinate units of the Bureau of the Budget. So, in essence, the plan would call for, I believe, five distinct units within the Office of Executive Management.

Mr. TURRS. One last question on this topic: Would the powers of this new office extend both to domestic and also foreign and military programs?

Mr. STANS. I think their powers and responsibilities would extend to those fields as part of the central management. I don't think that it should be implied by that that they would encroach upon military policy or tactics or military operations. But they would deal, for example, with governmentwide personnel matters some of which would relate to the Department of Defense. They would deal with the overall budget processes very much as they do now. They would deal with legislative clearance matters as they do now and with management improvement programs, a large part of which are focused in the Department of Defense.

I do not think this agency would in any way reduce the independent responsibilities of the Department of Defense and of the other agencies to conduct their affairs in the most efficient way.

In another sense, they would be an aid or a help to the agencies in accomplishing those results.

Mr. TURRS. With a little reluctance, I will turn now once again to this question of budgetary guidelines. I think in spite of all of your efforts, Mr. Stans, and you might agree, there is still a good bit of misunderstanding on the subject of budget ceilings and their role in the budget process. It is obvious, I take it, that, somehow or other, sooner or later, in the process a limit must be placed on spending including spending for national security purposes.

In your experience, how was this limit established? Did the Secretaries of State and Defense have an opportunity to make their case for national security requirements early enough in the process to have an influence on the limit? Was there a chance, so to speak, for national security requirements to take priority over budgetary restraints?

Mr. STANS. I can assure you I have no reluctance in answering the question you raise because I think it is extremely important that this part of the work of the Bureau of the Budget be understood. The Bureau of the Budget at no time put a fixed frozen limit on spending on the budget as a whole or on the Department of Defense.

At the same time I agree with you that somehow or other it must be recognized that there is a practical limit on Government spending, even including spending for national security purposes. Any budget must be developed with a proper relationship between total revenues and total expenditures, considering economic conditions

and many other factors. Defense expenditures cannot be unlimited because if they are so great as to cause the total budget to impose undue financing strains on the Treasury and to threaten inflationary consequences, that would weaken rather than strengthen our overall defense posture. The cold war is being fought on a number of fronts. One of these is the economic front and Khrushchev has made it plain that he expects our economy in time to collapse internally because of its own weaknesses. To avoid playing into his hands it must be accepted that there is some limit to what we can spend on defense, and especially in this period of cold war. The overall level of the budget expenditures was necessarily under discipline, but no effort was ever made to determine a spending limit so precisely as to impose a strict dollar ceiling on the defense budget.

The process of preparing a budget proceeded generally each year on three different fronts concurrently. One was the continuing estimates and reestimates of the level of revenues that we could expect. We did not have the final figures on the revenues to go into an annual budget until almost the last day before it went to press.

The second front on which the budget procedures were carried on was in that of the Department of Defense and here the process was to work with the Department in the review of the specific programs conducted by the financial office in the Department, principally by the Comptroller himself.

As I said, we made recommendations, raised questions, and we had some influence, I'm sure, in the decisions of the Secretary of Defense by challenging some of the proposed expenditures.

We also urged the Secretary of Defense, and to some extent he accommodated us, to look at the budget in terms of what could be bought for a lesser amount of money in order to get a more specific and conscious decision on the relatively marginal items.

The third front on which the budget proceeded was the review of all of the civilian agencies of the Government. This was a day-to-day process and it was not possible for us to put a ceiling on the aggregate of that because we ourselves could not determine what amount should be spent until we had conducted our budget reviews of each of the agencies.

All of this tended to proceed concurrently and to be completed at about the same time. There is very little flexibility in the budget because of the tremendous number of commitments that are made years ahead. There is very little flexibility in the Department of Defense, either, unless there could be a change in the size of the forces or structure of the Department, since personnel costs are almost fixed in advance by statute. The same thing is true in procurement because of the long-term character of a procurement program.

What I am trying to say is that our work was a careful, objective review of the needs, the requirements of the country in the area of national security and in the civilian programs and no ceiling was ever put on either the total budget or in the Department of Defense.

I would not in any way mean to imply that we did not, when we started to make a budget, hope that we could come up with one in balance. We had a careful measure of the expenditure figures that might accomplish a balance, but those estimates were not even conveyed to the agencies. They were our own calculations as we went along of approximately how we were going to come out and what

actions might need to be taken, what decisions might need to be made, to accomplish a balanced budget.

In many of those cases the specific items were reviewed with the President to see whether or not he was willing to make the decisions that were required to come out to a hoped for result.

With respect to the Department of Defense, I have said on some occasions to the Secretary of Defense "I hope that you can come up with a budget that will not exceed a given amount of money. I would like you to start out with a lesser amount and see what else is required." But at no time was a ceiling ever established during the time I was Director of the Budget on the amount that would be spent for the programs of the military services. I do not mean to imply by that that it would be wrong to fix the ceiling. I think in some cases it is a helpful means, but the fact is that no ceilings were actually imposed by the Director of the Budget on the Secretary of Defense.

I do think that in his dealing with the individual services, the Secretary of Defense indicated figures which he wished the services to adhere to but in every case in which he did that, I am quite sure it was made clear that any items that could not be accommodated within such figures could be proposed separately by the services to him, and that was done.

Senator JACKSON. As I understand it, when the discussions were going on, say, on national defense, you went into these discussions without a fixed ceiling. You have indicated that you might try to see what they could do for, for example, \$40 billion and maybe a lesser sum, or an alternate higher sum if it could not be kept within the \$40 billion figure which had been the budget for the previous year.

After you had listened to all of the services and to the individuals involved, would you prepare then a recommendation to the President as to what you felt the overall budget should be and what the portion should be for national defense?

Mr. STANS. No, it was not done in quite that way. What we would do is prepare for the Secretary of Defense a list of items that we thought he ought to reconsider as to either inclusion at all or as to the amount which was being allocated to them. We would sit down with him and review that list and express our doubts and in many cases he would call the people back in who had proposed the particular programs and review them with those particular individuals.

Then he would make his decision as to what he thought ought to be done with the questions and the challenges we had raised. At that point, if we were not satisfied, if we still felt that the doubts were of sufficient significance to raise serious question as to the inclusion of an item or an amount, we could take it to the President and many times we did by giving him a list of items that he would then discuss with the Secretary of Defense or the Joint Chiefs of Staff or with the National Security Council as he saw fit. He then made his final determination on the basis of all of the advice he got including not only those sources but his scientific advisers as well.

Senator JACKSON. It was in the form of suggestions. The illustration you have given would be a list of items the President might want to review with these people, but he would make the final decision.

Mr. STANS. That is exactly the point I am making. The Bureau of the Budget asked questions, made challenges of amounts, and the Secretary of Defense made the decision and the President in the final instance decided what should be included and for how much money.

Mr. TUFTS. In your testimony before the Senate Preparedness Committee, I think you used the term "dollar tag" as a way of differentiating budgetary ceilings from budgetary targets as a method of approaching the building of a budget.

In practice, could it be that such dollar tags appeared rather differently to the people in the military departments from the way they appeared to you? Might they have been regarded as sort of ceilings by the various services?

Mr. STANS. I think again it should be made clear that the use of the term "dollar tag" was in connection with the method of raising the budgetary questions and not as any means of fixing a ceiling or even a goal as to what should be placed in the budget for the military services.

I do not think there is any doubt that in some cases subordinate officials of the Department who were not in on the discussions that I had with the Secretary of Defense would interpret this procedure differently, and that is unfortunate, but that does not in any sense change the character of the suggestions that were made.

I think the record of the hearings of the Preparedness Committee of the Senate, which included testimony by the officials of the Department of Defense, would bear out the fact that this is the way we operated and that we did not impose ceilings as such.

Mr. TUFTS. In your judgment, then, the use of dollar tags would not have prevented the consideration of some program by the President.

Mr. STANS. Not at all. As a matter of fact, we did not even break down our suggested base figure as between the individual services. The Secretary of Defense was the one who determined the formula of analysis he was going to use and gave that formula to the individual services.

So the whole process was so designed that any program that had strong sponsorship could under any circumstances be reviewed carefully by the Secretary of Defense and by the President.

In substance, the burden was assumed by the Bureau of the Budget to challenge whether something was unnecessary or should not be included. The burden of proof was on the sponsoring agency or service to satisfy the Secretary of Defense and the President if we raised a question.

Mr. TUFTS. It would seem to me that a good deal of discussion of budget ceilings has missed an important point, namely, who has the chance to argue this case for additional programs and before whom do they argue it? There have been in recent years, for example, some people who felt that the Nation needed greater capabilities for conventional warfare. Do our procedures, in your experience, permit the advocates of such programs an opportunity to make their case to the President and to make it at a stage in the game when there is really a chance of affecting the outcome?

Mr. STANS. There isn't any doubt about that in my mind. That issue was debated a number of times in the National Security Council and in meetings with the President and elsewhere, and I am sure

that all points of view were carefully considered by President Eisenhower on a number of occasions.

Mr. Tufts. Turning now more specifically to the Defense budget, as you know the subcommittee heard testimony from Mr. Hitch and Mr. McNeil. There was testimony to the effect that the 1960 Defense budget, at least when General Taylor was actively involved in it, did not tell us how much defense we were buying with any specific budget.

General Taylor, as you no doubt recall, recommended a so-called functional budget. My question is, did you and the Budget Bureau have any doubts about the form of the Defense budget, the way in which it was prepared, or any suggested changes you wanted from Congress with regard to the budget.

Mr. Stans. There were many discussions on the manner in which the budget was prepared and the manner in which the appropriations were made. We had discussions with the Secretary of Defense and the Assistant Secretary-Comptroller on the question of whether the Defense Department might be more effectively administered if all appropriations were made directly to the Secretary of Defense without being made to the individual services.

There were other technical discussions as to how the defense budget might be improved and modified.

There was also a discussion from time to time with Secretary McNeil and others on the so-called vertical approach to the budget, the one of dividing it along functional lines.

As I said earlier, the Bureau of the Budget made its own recalculation of the Defense budget requests in those categories. I have some idea that the Chiefs of Staff did the same thing but I am not in a position to testify as to how they went about it.

As I said earlier, without doubt the proposal that Secretary Hitch has made is a good one. I think it ought to be carried out. I think we ought to particularly see, however, that it does not involve such a tremendous amount of work that it is a duplication of all of the budget figure work every year. I think there are basically simple ways of dividing the budget into these various six or seven functional categories that Mr. Hitch outlines and I would hope that it be kept simple.

As far as the presentation to the Congress, of course, it has to be in the form that the Appropriations Committees want it. It is my understanding it is Mr. Hitch's plan to present the budget to the Congress as before but in addition to give this supplementary analysis which is, in effect, another way of looking at the same general program.

Mr. Tufts. Have you found it useful for your purposes to divide the budget functionally? If so, might not the Congress also find it helpful in making its decisions to see what the functional breakdown would be?

Mr. Stans. I don't think there is any doubt about it. I think it would be very helpful to the Congress. I don't think using this particular approach as a supplement to the budget is going to make any easier the decisions which the Secretary of Defense and the President will have to make or the decisions that the Congress will have to make as to what amounts of money we put in to each program and which program we carry on, but I think it is an excellent idea to take the building

blocks apart and pile them in different ways to see how they look when you put them together in terms of their characteristics or their use instead of in terms of broad bookkeeping categories or by services.

Mr. TURTS. When you pulled the defense budget together, what figures were you pulling together? Did the unified and specified commands, for example, submit specific proposals, or were the figures which you used figures which had been worked up by the military departments?

Mr. STANS. We did not get figures from the various commands. The figures we used were the figures which were in the budget requests to the Secretary of Defense by the services.

Mr. TURTS. Do you think the plans and recommendations of the unified commands would be more helpful?

Mr. STANS. I think only time will answer that. This whole new approach raises questions as to organization. If it were determined in time that the functional analysis of the budget should be the principal way of making appropriations, then it would raise the question as to whether or not in time the organization of the Department of Defense should not proceed along similar lines.

I think it is too premature to reach any judgments in that respect but I think that the subject will have to be kept under consideration as time goes on.

Mr. TURTS. I would now like to turn to the question of long-range projections.

I am glad that you referred to your 10-year projection in your statement. What was the purpose of this projection and does it indicate that in your judgment such projections may be useful as a part of the budgetary process?

Mr. STANS. The purpose of the projection was to carry out the belief that it was very important for the general public, for the Congress and for the President to look ahead for a somewhat longer period of time than 1 year and see what the consequences of existing legislation and existing activities of the Government agencies would be in terms of dollars.

This would be a good guide to planning ahead, to measuring relationships between revenues and expenditures in each of the years, and it would be a good indication of the extent to which new programs and new activities might be undertaken by the Government in not straining our fiscal resources.

This exercise was, I think, the first that has ever been done along this line and of course it has many of the inadequacies that a first effort has, but it does project for 1965 and again for 1970 what the expenditures of the Government might be under three different basic premises. One premise is that we would carry on on a relatively austere basis, taking care of the real needs of the country but not going into a great many of the other demands that are made for Federal Government activity.

The other extreme would be one which, in effect, projected the trends of recent years which, as you know, have been very strongly upward, and assumed that all along through this period there would be new and additional programs that would be urged upon the Federal Government and adopted by it.

The third course that was laid out was one of some compromise between the two points of view. These two points of view would give a measure of spending that we could expect by 1970 depending upon which philosophy the American people were to adopt. Under the austere program we could have for fiscal year 1970 a budget in the magnitude of \$84 billion. Under the more generous type of projection which carried on the trends of recent years our budget would be in excess of \$122 billion. In medium terms, it would be about \$97 billion.

If you assume that the normal growth of our economy would produce a gross national product of about \$750 billion by 1970, which I think is the generally accepted assumption at this time, and the tax rates were unchanged we would have an annual revenue of about \$120 billion in 1970. Under the high spending projection we would run a deficit in 1970 and we would have deficits in most of the intervening years. Under the low projection we could, I believe, take care of the basic needs of the country, and we could have substantial amounts available for debt reduction and for tax reduction in the intervening period.

The general purpose of exposing these figures is to encourage discussion of which of these courses of action we really want our Government to undertake.

Mr. TURTS. Which of the three levels do you think is the most realistic projection?

Mr. STANS. I would find that a little hard to answer without expressing a political view and I would rather not. My personal conviction is that the lower projection would be the best for the country, as it would allow more of our national income to be spent in the area of private choice.

Mr. TURTS. We always have to keep the revenues side and the expenditures side in mind. I was a little troubled by the fact that your study projected, chiefly, expenditures except for a few comments on revenues. I wondered whether a projection of expenditures alone might not result in a somewhat misleading impression of the Government's overall position in the future.

Mr. STANS. I would hope that it is not a misleading impression. I would concede that it is an incomplete impression. Our difficulty was that in the time we had to complete this analysis before January 20 we could not explore all of the elements related to our revenue picture. One of the things that gave us trouble was the question of how in projecting revenues we could recognize the impact of business cycles along the way or of changes in economic conditions.

Only because of the complex of items to be considered and the limited amount of time did we fail to include in this projection a revenue assumption.

We felt that the projections of the expenditures themselves were the real meat, however, of the question of trend in Government programs looking ahead and this was a significant start on some type of long-range planning, some kind of long-range thinking about the kind of Government we wanted to have by 1970.

Mr. TURTS. Do you think the time has come when projections of this sort would be helpful to the Congress in its consideration of national policies and that such projections should be made available to the

Congress from the executive perhaps as part of the budget message or perhaps in some other way?

Mr. STANS. I would hope that this would be recognized as a very valuable tool in Congress in the consideration of its appropriations, and in consideration of its tax policies, and that stimulation of discussion generally around the country would cause people to think about what course of events they wanted the Government to enter into in the longrun future.

Mr. TURTS. Now if I may, I would like to ask a couple of questions about the relations between the Bureau of the Budget and the Council of Economic Advisers. Did CEA play any role in the budgetary process?

Mr. STANS. Yes; very distinctly. The Council of Economic Advisers was consulted for its views on a number of individual programs, particularly in the field of housing and elsewhere. It was also consulted with respect to the economic impact of various levels of budget and it played a part in the estimates of expected revenues. We worked very closely with the Chairman of the Council of Economic Advisers throughout all of the budget process, and in the development of the budget recommendations.

Mr. TURTS. Did CEA prepare revenue estimates on a fiscal year basis?

Mr. STANS. The revenue estimates were usually not prepared unilaterally by any one agency. Usually the procedure was for some of the economists in CEA, in the Treasury, and in the Bureau of the Budget to meet and consider the economic factors and to develop mutually agreed estimates.

Mr. TURTS. I have often wondered why CEA used a calendar-year basis for its published reports rather than a fiscal year. This has made it difficult for the citizen to compare CEA's work with the Budget's for example. Does this indicate any reluctance on the part of CEA to become too deeply involved in the budget process?

Mr. STANS. I am sure it does not indicate that. I can only surmise, because I do not have all the facts, that the only reason the Council deals with a calendar year is because the statutory requirement is that it must submit a report early in the congressional session and the Council is able much better than the Bureau of the Budget to bring its figures and its estimates of conditions up to the end of the calendar year.

Mr. TURTS. Do you see any opportunity for CEA to play a larger role in the budgetary process in the future than it has in the past?

Mr. STANS. I would not think that it would be necessary. There is a very close relationship between the two, there is a great frequency of contact. There is participation of the Council in many of the budgetary considerations and I think that all should be continued. I do not think offhand of any means by which that relationship could be significantly increased.

Mr. TURTS. You said previously, in answer to another question, that the planning management function should be located in the new recommended Office of Executive Management.

As it is now organized, does this planning management function partly belong to CEA or would the President turn to this group for recommendations on such matters?

Mr. STANS. I would say the planning management was now somewhat a scattered function. The CEA dealt with some aspects of it, particularly with respect to the aspects of the Economic Report. The White House in the last few years had an office and a staff that was engaged in the planning of public works projects and water resources projects.

The staff of the White House itself dealt from time to time with longer range thinking in various fields, but there was no central focus or separate staff for the development of the longer range thinking.

Mr. TUFTS. One further question on the Bureau's relationship with the Department of Defense and other agencies of Government.

In view of the special arrangements between the Bureau and the Department of Defense, which you have described, did you have any difficulty at all in maintaining what you have called an arm's-length relationship with the Department of Defense, and is it your view that the Bureau should maintain an arm's-length relationship with the Department so that it can provide the President with a truly independent review of programs proposed by the agencies?

Mr. STANS. I think without doubt the Bureau has to have a cordial but arm's-length relationship with all of the other agencies of the Government in order to be effective. I think we had that in the Department of Defense. Certainly the number of issues we raised, the number of questions and challenges that we expressed was evidence of the fact that our people were in no way controlled in their thinking by those in the Department of Defense, and I would say the relationship was entirely at arm's length. I see no reason for it to be otherwise.

Senator JACKSON. Mr. Stans, I want to ask you a few more questions before we conclude the open session.

Did you have any staffing problems within the Bureau? Do you have any recommendations as to staff or organization? Some have suggested that there may be too much career service within the Bureau. Alluding to the question I asked earlier, that the Bureau tends to become an independent agency, independent of the President and tending to set its own policies and programs rather than carrying out his, do you think there should be more policy or schedule C appointments?

Mr. STANS. I don't feel any real need for any change in that respect. There were five of the top positions that were subject to replacement on a change in administration. I think the personnel of the Bureau at the career-service level is highly qualified, nonpolitical, and deals very objectively with the problems it is given to deal with. I think the staff of the Bureau has the capacity to change direction as the political administration is changed and as the philosophies of the different administrations change and still see that the programs inherently are sound and that their details make sense.

I would say that I think the potential turnover of five positions at the top is all that would really be necessary for a President to impose his policies and his philosophy upon the work of the Bureau.

Senator JACKSON. In other words, you feel there is sufficient flexibility and the career people in the Bureau as a whole are responsive to the requests of the President as directed by his Director of the Bureau of the Budget?

Mr. STANS. Yes; I do.

Senator JACKSON. One last question.

As you know, one of our major concerns in our study of national security is related to the problem of getting better people in Government.

Do you have any recommendations in that broad area: For instance, the problem of the conflict-of-interest laws which have deterred a lot of good people from coming to Washington; the slowness of Congress to change what many feel are archaic laws which in many respects are not relevant to the problems of today.

Mr. STANS. I would like to say two things in this area based upon my observation and experience. First, I think the conflict-of-interest laws are too severe. There ought to be some way in which a man of character and integrity can take a Government position without having to sacrifice financially to such an extreme as many people have had to in recent years.

Secondly, I think that the pay schedule for executives and for people of the upper levels in Government, including the career service, are entirely too low. Studies which we made in the Bureau of the Budget indicated that in the lower levels of employment, many of the people in Government service were actually overpaid in relation to what they could earn in industry. In the upper levels, in the policymaking and decision levels, Government people are very frequently underpaid.

I think it would be unfortunate if the Government managed to acquire the very best of the lower level people and the very worst of the upper level people because of its pay structure, and this definitely should be modified by the Congress.

Senator JACKSON. Actually the amount of money that you would have to invest in this area is relatively small in the higher brackets, so to speak. Is this not correct?

Mr. STANS. It is really insignificant in relation to the overall problem.

Senator JACKSON. The bulk of the overall personnel costs are in the lower pay categories.

Mr. STANS. I would think raising the pay of 5,000 or 10,000 people of the 21½ million people in Government would go a long way toward rectifying the inadequacies of our pay structure and would cost a relatively small amount of money.

Senator JACKSON. Roger Jones testified before our committee last year, Mr. Mansfield reminds me, that expenditure of \$20 million for key executive positions would quite adequately meet the basic need for salary adjustments.

Mr. STANS. I would have no way of checking on the specific figure but it sounds quite reasonable to me. I think the business of the U.S. Government is so important, so essential to our national security, that it is just absurd that we should not be able to entice into Government the best and most capable men from all ranks of life. The way to do that is to make it unnecessary for them to assume the financial sacrifices that they have had to assume in the past.

Senator JACKSON. On behalf of the committee, Mr. Stans, we again want to express our appreciation to you for being with us today and taking time out from your busy business schedule to be here.

Senator Mundt, we will retire to executive session to take testimony from Mr. Stans that bears on the National Security Council. Under the rules that we have followed in the past this testimony is to be taken first in executive session.

Tomorrow our witness will be Mr. David Bell, the Director of the Bureau of the Budget, and we will reconvene at 10 o'clock.

(Whereupon, at this point the committee proceeded in executive session.)

THE BUDGET AND THE POLICY PROCESS

MONDAY, JULY 31, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.
EXECUTIVE SESSION

The subcommittee met in executive session at 12:40 p.m. in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Mundt.

Present also: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, minority counsel.

Also present: Ralph W. E. Reid, accompanying Mr. Stans.

Senator JACKSON. The committee will resume its sitting. I believe, Mr. Stans, that you have some comments that relate to the National Security Council in connection with your work as head of the Bureau of the Budget. Would you go ahead in your own way.

Mr. STANS. Supplementing my statement in public session, I would like to comment on one other area: the activities and procedures of the National Security Council.

As I said in my public statement:

The question which appears to have been raised most frequently is whether our national security processes and our budget processes have been closely enough related. During my term of service as Director of the Budget, I was quite convinced that they were.

Let me now add: As you know, President Eisenhower had determined that the National Security Council should be the channel through which recommendations for national security policy should reach him for decision. At the beginning of his first term in office, President Eisenhower added the Director of the Budget to the list of officials participating in all NSC meetings. He further directed, for the first time, that all policy papers considered in the NSC be accompanied by financial appendixes in order to assure that the current and future financial implications of all policies under consideration were fully appreciated. Not only did these procedures assure that the NSC and budgetary processes were related throughout the year as activities were reviewed, but the budget requests of the major national security programs were the subject of explicit NSC consideration each year prior to finalization of the President's budget.

In view of the composition and frequency of NSC meetings, the thorough and extended discussions of program issues elsewhere at budget time, the many special meetings with the President on such

matters, and the way in which important budgetary questions were the subject of frequent discussions between the Budget Director and the heads of agencies—and at the staff level—throughout the year, I do not feel that there were any significant gaps in the relationships between national security processes and the budget process, under the procedures in effect during this period.

Senator JACKSON. Referring to your statement that the purpose of the financial appendixes was to assure that the current and future financial implications of all policies under consideration by the NSC were fully appreciated, will you tell us something about the success of the financial appendixes?

Did this device accomplish what you say was its intended purpose?

Mr. STANS. I would say that it accomplished basically the main purpose, which was to give an order of magnitude to the substance of the particular discussion and of the particular paper. It was not in any sense a budgetary commitment for the future and the President always reserved the right in the preparation of the budget to apply other considerations and adopt other figures. But it did successfully indicate the general magnitude of the problem that was under consideration.

Senator JACKSON. In what form were these programs submitted to the NSC for its consideration? I think you have emphasized the importance of precision in such discussions, if the decisions are to be meaningful. Were the programs presented in such a way as to meet this requirement?

Mr. STANS. Most of the programs presented were in the form of papers of one kind or another supplemented in many cases by slides, charts, graphs, and oral explanation by the proponent. The policy papers generally were the subject of debate wherever differences of opinion existed, and when the matter was decided by the President the policy paper became in substance an expression of his policy in the particular area involved.

Senator JACKSON. At what point in the budgetary process did the NSC give explicit consideration to our national security programs?

Mr. STANS. I would say continuously during the year. There were many subjects that came up in the National Security Council, particularly in defense, but sometimes in atomic energy and sometimes in connection with mutual security, that carried with them budgetary implications. There were many cases in which the Director of the Budget participated in the discussions either questioning or calling attention to facets of the proposals which the President then took under consideration.

The major consideration of the budget as a whole took place late in the calendar year and shortly before the budget was completed.

Senator JACKSON. Was this all in connection with discussion of what our strategy should be, both short range and long range? Was there plenty of discussion involving all the factors going into a strategy?

Mr. STANS. Yes. I will not say there was any process by which every aspect of the defense program was allocated a time and a place on the agenda but as issues came to focus in continental defense, in strategic striking forces, in civil defense, and in other areas, these were debated and discussed in the National Security Council. Where

it was possible to do so the financial implications were part of the discussion, and conclusions and decisions were reached by the President in the course of the action.

Senator JACKSON. Did you run into disputes with the services over the price tags, as set forth in financial appendixes?

Generally would there be an agreement as to what a given course of action would cost in terms of dollars?

Mr. STANS. Generally there would be agreement and only infrequently would there be disagreement as to the price tag. I would say the principal reason for this was most of the matters that came before the National Security Council had their preview in the Planning Board and the processes of the Planning Board brought together the various considerations and viewpoints on the figures as well as on the other aspects of the policies.

Senator JACKSON. When did the last administration start indicating the price tags in financial appendixes?

Mr. STANS. 1953.

Senator MUNDT. Were records kept of these National Security meetings, minutes or transcripts?

Mr. STANS. There were not actually minutes in the sense of recording all of the discussion but there were action papers in reporting the Presidential conclusions and directives. In other words, there was a written record of the President's action with respect to each subject that came before the Security Council and it not only indicated his decision on each matter but who had responsibility for carrying it out.

Senator MUNDT. Was the Budget Bureau represented adequately there or would you be there alone or would you have your specialists in the particular field that was being discussed?

Mr. STANS. The Budget Bureau had dual representation in the sense that it had a regular member on the Planning Board who participated in all of the discussions and the Director appeared in the National Security Council.

I can think of only one or two occasions on which anyone else accompanied me to a discussion at the National Security Council and that may have been an occasion when some special knowledge was required.

Senator MUNDT. But the procedure provided if you needed technical help you could have it at your elbow.

Mr. STANS. That is right, provided it was cleared in advance.

Senator MUNDT. However, in the budget process as you described it this morning, if General Taylor, to wit, felt his considerations had not received the necessary considerations, he had the necessary openings to the White House in which to make his appeal?

Mr. STANS. The Chiefs of the services and the Secretaries of the service departments had access to the President at any time. I am sure that they availed themselves of that access whenever they were unhappy about any course of events.

Senator MUNDT. In the procedure in the mechanism for consideration there would be no conceivable way that General Taylor or any other Chief would be denied the right to plead his case directly to the last court of appeals, which would be the President.

Mr. STANS. No, and I heard him plead his case on one or more subjects at times in the highest councils of the Government and at the informal meetings with the President.

Senator JACKSON. Are there any further questions?

Again, thank you very much, Mr. Stans. We are very grateful to you for helping us out in the study that we are trying to make.

Mr. STANS. Thank you for your consideration.

(The subcommittee was adjourned, to reconvene at 10 a.m., Tuesday, August 1.)

THE BUDGET AND THE POLICY PROCESS

TUESDAY, AUGUST 1, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Humphrey, Muskie, Mundt, and Javits.
Present also: Senator Stennis.

Staff members present: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members; and Roderick F. Kreger, minority counsel.

Senator JACKSON. The committee will come to order.

The subcommittee is continuing today a series of hearings on the budget and the national security process.

This problem represents one aspect of the subcommittee's overall task. That task is to study how our Government can effectively organize and staff itself to meet the dangerous challenge of world communism.

The budget is decisionmaking in its most fundamental sense, the commitment of the resources with which words will be translated into deeds. The budget is also a prime instrument for following through on decisions, for coordinating and overseeing the execution of policy.

Yesterday we had the benefit of testimony from Mr. Maurice Stans, Director of the Bureau of the Budget under the Eisenhower administration from 1958 to 1961.

This morning we are fortunate to have with us Mr. David Bell, Director of the Bureau of the Budget. Prior to this appointment he was secretary of the Graduate School of Public Administration at Harvard University, and in that capacity served as the chief administrative officer of the school.

Mr. Bell has had a distinguished and successful career in Government. In fact, he now heads the agency in which he began his Government service. He first joined the Bureau of the Budget staff in February 1942, subsequently went into the U.S. Marines, and worked in key posts in the Bureau and in the White House.

He served as administrative assistant to President Truman from December 1951 to January 1953.

Mr. Bell, I take great pleasure in welcoming you here this morning, and we welcome your statement.

Before I do that, I want to give a special welcome to Senator Stennis, who is here because of his great interest in the broad area of na-

tional security and, of course, is a member of the Appropriations Committee, member of the Armed Services Committee, Chairman of the Preparedness Subcommittee, and member of the Space Committee, all dealing with the troublesome problems in this area.

We are glad that you could join us.

Senator STENNIS. Thank you, Senator Jackson.

Senator JACKSON. Mr. Bell, I believe you have a prepared statement?

STATEMENT OF HON. DAVID E. BELL, DIRECTOR, BUREAU OF THE BUDGET

Mr. BELL. Yes, sir; I do, Mr. Chairman.

Mr. Chairman and members of the subcommittee, I am very glad to appear before you today. The series of impressive reports which came from the hearings conducted by this subcommittee last year has been of considerable interest to those of us concerned with establishing the pattern of management and operation of the new administration. We will look forward with interest to any report that may come from your present hearings.

You have asked me to discuss with you the role of the budgetary process in national security policymaking and execution, particularly as it appears from the viewpoint of the Bureau of the Budget. I should like to place before you three or four ideas which seem relevant to your inquiry, and then I shall be glad to respond to any questions you may have.

Let me begin with two preliminary observations.

First, let me remind you very briefly of the basic origin and meaning of the Federal budget system. Speaking broadly, the Federal budget as we know it today, is the product of a statute enacted by the Congress 40 years ago at the crest of a movement to reform obsolete fiscal procedures. The Budget and Accounting Act of 1921 included two major reforms which remain the basic foundations of the system today: one was the requirement that only the President (not his Cabinet officers or agency heads) may transmit a request for funds to the Congress; the other was the requirement that the President must transmit annually to the Congress a complete budget, showing all his proposals for spending and for raising the funds to support that spending.

These two reforms were of great significance. They gave to the President—and give him today—a major means for unifying and setting forth an overall executive branch program and they give him a major responsibility for evolving a Federal budget that reflects his judgment of the relative priority of different Federal activities. Thus, the President's budget necessarily reflects his policy judgments, and the Congress in acting on the President's budget necessarily reviews those policy judgments as to the relative importance of alternative uses of national resources.

Thus the essential idea of the budget process is to permit a systematic consideration of our Government's program requirements in the light of available resources; to identify marginal choices and the judgment factors that bear upon them; to balance competing requirements against each other; and, finally, to enable the President to decide upon priorities and present them to the Congress in the form of a

coherent work program and financial plan. The budget operates as an extremely effective element of discipline on the President and the executive branch because it requires that each proposed use of resources—for defense, science, natural resources, or whatever—be tested against others and against the total size of the budget.

In passing, I might add that it seems to me the Congress, because it considers budgetary matters for the most part in fragmented form, does not face quite the same necessity to consider the effect of separate budgetary actions in relation to each other and to the entire budget. The Congress might well seek methods that would assist it in giving a more sharply focused consideration of such matters.

My second preliminary observation is that budgeting for national security is a most complex matter, because the national security itself involves so many factors. Our security plainly depends in large part on our own military strength—and planning and budgeting for military strength is difficult in a time of rapid changes in weapons technology. But in addition to our own military strength, our national security depends in part on the military capability of our allies, which requires combined international planning and, where military assistance is involved, our budgeting process must consider the relative importance of our direct military outlays and of indirect outlays through military aid.

Over and above military outlays, budgeting for national security requires us to consider the addition to our security that may be made by contributing to the economic and social development of other countries through foreign economic aid. And, finally, budgeting for national security requires us to consider the underlying strength of our national economy—the requirements of economic stability and growth, and of the skill, education, and morale of our people.

It is plain that considering the national security in this broad sense requires the President—and the Congress—to make a difficult series of choices, for which we do not have a satisfactory set of criteria. How do we weigh the value, for example, in terms of our national security, of a marginal outlay for military force as against a marginal outlay for basic scientific research, or for strengthening higher education? Difficult as such questions may be, they are real choices; they affect our national security in a true sense, and we have to make them as best we can.

Against this background of these conceptions of the budget process, I should like to suggest three lines of improvement in our budgeting for national security:

The first is to make sure that budgeting and planning are in step. Logically, budgeting and planning are two sides of the same coin, two aspects of the same process. A budget is the financial expression of a plan.

However, on some occasions in the past, it has been possible for budgets and plans to be established on different bases; that is, there might be an “approved plan” to have certain forces in being, and simultaneously a budget providing for a different level of forces.

We intend in this administration to make sure that we plan to do only what we are willing to budget for—and to budget fully for what we plan. To accomplish this requires an appropriate interlocking between budgeting and planning at each step. This begins in the de-

partments—and I call your attention to the fact that Assistant Secretary of Defense Hitch, testifying here last week, constantly referred to the “planning-programing-budgeting process” in the Department of Defense. In Secretary McNamara’s mind, budgeting and planning are regarded, as they should be, as two aspects of the same process.

A similar objective guides the work of the Bureau of the Budget and the other units of the Executive Office of the President and the White House Office. All of us are endeavoring to tie budgeting and planning tightly together in the work that precedes Presidential decisions. We in the Bureau have established close working relationships with the Special Counsel to the President, the Special Assistant to the President for National Security Affairs, the Special Assistant to the President for Science and Technology, and others who advise the President in reaching decisions on national security policy. We have also strengthened our working relationships with the Secretary of the Treasury and the Council of Economic Advisers, in an attempt to make sure that our economic and budget policies are fully consistent, and that our budget and fiscal policies will contribute to the strength and vitality of our economy, both in the long and in the short run.

A second avenue of improvement in the process of budgeting for national security is to extend our time horizon farther into the future. I need say little about this objective so far as the Department of Defense is concerned, as Assistant Secretary Hitch discussed it thoroughly last week. You will recall that it is Secretary McNamara’s intention to prepare and keep up to date at all times, a fully worked out plan and budget for defense programs extending 5 years into the future.

I am not sure we can reach very soon the same goal with respect to other aspects of national security activities aside from the military programs, but this is clearly the correct direction to move. In national security budgeting, and indeed in budgeting for all purposes, we must work with longer range periods than the single year which used to be our standard. I am pleased here to acknowledge the very useful groundwork laid by my predecessor, Mr. Stans, in the closing period of the Eisenhower administration. Among other steps in the direction of longer range budgeting, Mr. Stans, last fall, directed the Bureau staff in preparing a 10-year projection of the Federal budget for the period 1960 to 1970, which was most informative.

The fact that we want to move toward longer range budgeting, however, does not mean that we can do so easily. While some Federal agencies—such as the Federal Aviation Agency—are accustomed to thinking several years ahead, others are not, and it will take some time before we can obtain fully useful long-range projections from all agencies.

However, even our initial steps in recent months to extend the budgetary time horizon have, in my opinion, paid dividends in permitting us to understand better the issues that will determine the size and nature of the budget in future years.

Our purpose here is to improve our leadtime for recognizing important developments in our public policies and for organizing ourselves to find solutions. Whether these issues relate to outer space, housing, education, transportation, urban affairs, science, defense, or

whatever, we hope to be able, through this approach, to detect them sooner and meet them more adequately and with a better sense of priorities.

I should like in closing to point to a third avenue of improvement in budgeting for national security—an avenue on which we have, I think, still far to go. Our budget for national security must reflect and can only be as good as our strategy for national security; and I think everyone would agree that the United States has much to do to develop a fully satisfactory strategy for our security. What is the proper mix of military and nonmilitary measures? How can we guide the inevitable processes of change in Asia, Africa, and Latin America to produce free institutions and not communism? How can we step up the rate of economic growth? On these, and many other issues affecting our national security, our budgeting can only be as good as our underlying strategy. Much of what is needed is quite beyond budgetary consideration, and improvement must come from analysis of our situation in the world, and imaginative thinking about the courses of action that are open to us.

In at least two respects, however, we can, I think, point to progress through the budget planning route. One of these is the development, described by Assistant Secretary Hitch, of the so-called program packages in Defense Department budgeting. This process of functional budgeting, under which the expenditures for strategic warfare are grouped together, as are those for conventional war, and so forth, permits more accurate comparative analysis of alternative possibilities, and a more realistic understanding of what is proposed to be done. So far as military planning and budgeting are concerned, we believe that this will represent a considerable step forward over the older method of grouping expenditures by service—Army, Navy, Air Force—or expenditure category—personnel, procurement, research and development, et cetera.

A second step forward is the decision which underlies the administration's approach to the foreign aid program, namely, to build our economic and military aid efforts around "country programs." This permits us to consider in proper relation to each other, the various alternative military and economic measures we can take to assist a given country and moreover to relate our aid appropriately to the country's own efforts, to our political objectives in the country, to our diplomatic and information efforts, and so on.

Thus, I believe the use of "program packages" in defense budgeting, and "country programs" in foreign aid budgeting, represent major advances toward sensible planning and budgeting for national security.

I do not wish, however, to minimize the basic difficulty of the problem. When we face the hard questions of how much of the Nation's resources we should devote to national security, and what is the optimum combination of activities to which to devote them, we cannot avoid a considerable degree of uncertainty and considerable room for differences of judgment. We have much to do to improve our understanding of these matters and the analytical framework of ideas which assists us in dealing with them. Any light your subcommittee can shed on these complex and difficult problems will be most helpful.

I shall be glad to answer any questions, Mr. Chairman.

Senator JACKSON. Thank you for your helpful and very fine statement, Mr. Bell.

I know that Senator Stennis has another meeting to go to. I thought maybe, Senator Stennis, you might have some questions you would like to ask Mr. Bell.

Senator STENNIS. Mr. Chairman, I thank you. I do not know that I have any particular questions except that I certainly am impressed with the fact that you and your subcommittee are going into this far-reaching problem in an effort to get the Congress to project its thinking.

I am certainly impressed with Mr. Bell's statement here in reference to what he has found and what they are trying to do. This is a subject I am concerned about, but know little about.

The planning processes in the military, for instance; we of the Preparedness Subcommittee should know more about this. I hope we can have hearings on it after you have rounded out the picture.

Senator JACKSON. I think you would be interested in testimony that Mr. Hitch offered the committee. You will recall our problem in connection with continental air defense.

It was brought to our attention that the commanding general had really not been consulted on the budgetary requirements of his command; that although he made recommendations, actually the three services made the real decision rather than getting a budgetary picture from a functional base.

I thought you would be interested in the fact that Mr. Hitch's testimony brought out the fact that they contemplated, for example, presenting the requirements in this area in a program package, or, you might call it, a functional budget. For example, North American Air Defense.

Senator STENNIS. That is encouraging.

The Senator will recall the experience we had. After we appropriated the money to fill out this budget, one of the services withdrew a major part of that money without ever consulting the commanding general of the North American Air Defense Command, and used the money for something else.

I thought that was a new low in handling matters of this kind and it was due to the system.

Mr. BELL. A very good illustration of the advantage that is expected to flow from this new method of handling defense budgets.

Senator STENNIS. Thank you again, Mr. Chairman.

Senator JACKSON. Senator Stennis, we certainly appreciate your coming by this morning. We realize you have a defense appropriation bill markup this morning.

Mr. Bell, last year Governor Rockefeller testified at some length on the need for reorganization of the Executive Office of the President. Among other things he proposed the creation of an Office of Executive Management, of which the Budget Bureau would be a part.

President Eisenhower strongly supported this proposal in his last budget message.

Yesterday Mr. Stans also warmly endorsed the proposal.

Are you familiar with the proposal and, if so, do you have any comments as to whether it would be useful to the President in your judgment?

Mr. BELL. Mr. Chairman, this is not a matter that I have investigated fully, nor at any length.

As I understand it, there were two ideas involved in this; one was simply to change the name of the Bureau of the Budget to recognize that it is an institution that has several functions in addition to the budgeting function. This is correct, it does have other functions, as you gentlemen know.

It is the President's principal adviser on organization and management matters. It helps him to coordinate his legislative program. It has a special function in reviewing and coordinating the statistical forms that are used by different Federal agencies to make sure that they don't overlap and that the inquiries that are made of private parties are as simple and inexpensive to fulfill as possible.

Thus the Budget Bureau has a series of functions in addition to those of helping the President prepare his budget. Consequently, some people have suggested that the name of the Bureau is obsolete and that it should be termed something else.

Insofar as this is the notion, I don't think, myself, there is much to it. Perhaps I am a bit of a traditionalist, but it seems to me it is a fine name and we ought to keep it.

There is another element, however, if I understand the proposition correctly, in the notion of establishing an Office for Executive Management.

This is the notion that the President should have in effect an administrative Vice President. This idea, I am a little doubtful about, frankly. I am not sure that it fits the conception of our Federal Government.

I think the set of functions that are now combined in the Budget Bureau make a useful package and are of great assistance to any President. I believe each President over the last 20 or 30 years, and each Budget Director, would say the same thing.

To attempt somehow to upgrade this position, or perhaps to replace it with a superior position which would have a broader reach and which would somehow be more of a business manager for the Government as a whole, I doubt very much that that is the direction which would really represent progress.

The Federal Government by and large, is organized on the basis that each head of an agency should be fully responsible for its operations, for the policy, the substance of the activities that are carried on, and for the funds that are spent and for the organization and administration of that agency.

To have the responsibility thus combined and focused on the individual heads of the agency is, in my opinion, the correct way to get the best sense of responsibility and the best results in terms of effective management in each agency.

The Bureau of the Budget does provide advice to the President on the overall management and organization of the executive branch and that is very useful.

Furthermore, the Budget Bureau does perform important functions in trying to stimulate the adoption of new and better management methods.

To illustrate we have a small staff, three or four people, constantly at work in the field of automatic data processing. These are very good men; they are experts in their field. They are attempting to

advise different Federal agencies as to when it will be effective, economical, and useful to adopt automatic data processing in one form or another, and also when it would not be effective, economical, and useful. They try to teach the Federal officials to be resistant to overzealous salesmen of electronic computers and so on, as well as to advise them when such computers would, in fact, be very helpful to the Government's operations. Therefore, the Budget Bureau does perform, in a sense, an advisory role which assists the various Federal agencies. I hope that we can do more of this as time goes by.

But this is a different thing from proposing in some manner or other to establish on the President's staff an official who would somehow control the administrative side of the different Federal agencies. That conception, it seems to me, is very doubtful, and insofar as that is involved in the notion of an Office of Executive Management, then I am a little skeptical of it.

I would like to repeat, however, that I have not fully explored this notion. It has not come up in the present administration in a form that required me to go through it to the bottom, and it may be that I am arguing here with a conception which the proponents of an Office of Executive Management would not, in fact, put forward.

Senator JACKSON. I take it your position is that the departments should remain administratively independent. They report directly to the President and you act for and on behalf of the President in carrying out the overall decision that he has made.

Mr. BELL. Yes; I would say we advise the President more than we act on his behalf.

Normally we advise him during the time when he is reaching a decision. When the decision is made it is typically communicated directly to the department heads that are affected and it is their responsibility to execute it.

I think the gist of what I have said, Mr. Chairman, about the Office of Executive Management, is that it seems to me sensible, appropriate, and efficient that the head of an agency be the top manager of that agency, as well as its policymaking executive. So that I would think it a step backward to split policymaking and managerial responsibility. We have them joined now in the head of each agency; I think that is the way it should be.

Senator JACKSON. If I might turn back, Mr. Bell, to a question of budgetary guidelines. Last year, and again this year, the subcommittee heard testimony on the tangled question of the budgetary guidelines and ceiling.

Obviously, sooner or later in the budgetary process a limit should be placed on Federal spending. Will you tell us how, in your judgment, this limit should be established and when it should be introduced in the budgetary process?

Mr. BELL. Yes; I will be glad to, Mr. Chairman.

I might preface my response to your question by saying that at the present time we have begun the process that will lead to the decisions on the 1963 budget, the budget that President Kennedy will present to the Congress next January.

At the same time we do not have a fully worked out set of budgetary guidelines. Normally it would be desirable by the beginning of July to give them to the various agencies of the Government.

This is because they typically require 2 or 3 or 4 months to perform their own internal reviews and to consider the question of what they want to request of the President.

The President wants to have each agency's recommendations for the next year's budget before the end of September. Therefore, moving backward on the calendar, it would usually be desirable to have the budget guidelines out by the first of July.

This year we have not been able to do this in several important cases, notably the case of the Department of Defense, the military budget, for obvious reasons.

The administration has been engaged, since it came into office, in a very intensive, thoroughgoing review of the military commitments, risks, and capabilities of this country.

The President has sent three different supplemental recommendations to the Congress, the latest of which is before it now. Each of these represented a stage in the reevaluation of our military posture, the requirements that are upon us, and the steps we should take to meet them.

Because of the intensive and thorough nature of this review, it was not possible by the beginning of the summer to have reached even tentative and preliminary conclusions about the 1963 budget. There are studies still underway which will affect the judgments of the President.

Senator JACKSON. In other words, your first effort has been to cope with the budget for fiscal year 1962 that we are already in.

Mr. BELL. Yes, sir; that is right.

Senator JACKSON. And to meet those conditions before you could logically lay down guidelines for the budget the year following? Is that a fair summary of the situation?

Mr. BELL. That is right.

Senator JACKSON. That is what you are in the process of doing.

Mr. BELL. We are in the process of doing that. It won't be too long before we will have some fairly clear notions about the 1963 budget. We have some very tentative figures already in our minds, but these include some major elements which are not yet very clear.

Now, I say this by way of preliminary observation, to make clear not to imply that we do not have a fully worked out and definite system for producing budgetary guidelines which has been tested and in operation.

Now, let me answer your question more directly: What do we think we ought to do to prepare budgetary guidelines in a normal situation? Our thinking would run something like this: As you noted from my statement, we consider that 1 year is an inadequate budgetary time period. Consequently, we expect during each spring, to lay out projections of likely expenditures, of the potential budget receipts under existing tax laws, in the context of the international situation and the economic picture that is likely to be with us in the next several years.

We will typically use a 5-year forward period.

Against this kind of projection it should be possible for us to analyze the direction in which the budgets of the different agencies are moving, and to pick out those major issues which will affect the overall trend and level of the budget for each agency. We have been

able to do this for many agencies in the 2 or 3 months we are just now completing.

In the case of many agencies, it has worked very well indeed. We have been able to bring to the surface the major issues which will affect the trend and level of the budget for many of the large agencies of Government. As I indicated earlier, the Department of Defense, for this particular year, has had to be an exception.

Now, against a 5-year forward projection of the likely trend of the budget in relation to the economic situation that we expect might take place during that period, we would be able to put before the President the key issues that loom up in the spring with respect to the budget for the next fiscal year.

On that basis we can show him the questions that he will need to face and the nature of the decisions that he will have to make in order to establish preliminary planning guidelines for the next year's budget.

By the beginning of July, in a normal year, I would hope that the President would be able to say to his different agency heads that he expects a budget of the following character in the particular year that is coming up, and he would like then to follow certain guidelines that he would outline.

Now, the nature of those specific instructions might vary. In some cases he might very well tell them that he regards their budgets as being based primarily on the projected workload, and what he wants from them is a budget that will reflect a certain estimate of workload or an estimate of the job to be done of a certain dimension. If we are going to have an Army of a million men, then that can be translated into budget figures rather than the other way around, rather than saying to the Army, "Here is \$10 billion; how many men can you get for that?" The guideline would be typically that we foresee the need of active duty forces of such and such a size and now, Mr. Secretary of Defense, will you kindly give us a good, tight, firm budget for supporting that size military force.

Senator JACKSON. Your guidelines would tie in with your long-range national strategy?

Mr. BELL. Yes, sir.

Senator JACKSON. So that your guidelines would be an expression of agreed-upon, long-range strategy?

Mr. BELL. Yes, sir. This is exactly correct, Senator. We would hope that the strategic notion, the underlying national security strategy of the country would be reflected precisely in this budgetary thinking I have been describing.

Senator JACKSON. So that the whole budgetary process can be integrated into the national security policy process at the highest level of government?

Mr. BELL. This is our intention and our hope.

Let me say one other thing, Mr. Chairman, before completing my answer to your question.

There are cases, obviously, in which we would expect that the President would give some kind of preliminary planning dollar figure to an agency at this time of the year that I am speaking of, July 1st, or thereabouts. In such cases, however, we would not regard this, nor would the President regard this, as a ceiling in the literal sense. We would regard it as a preliminary planning figure. The agency

head would be expected to submit to the President a budget which would show what could be done for that figure, but he would also be expected to submit to the President any additions, any changes in that figure, which he regarded as necessary to carry out the agency's mission.

The President would not expect to end up with the figure that he started with. He would expect that after considering the detailed figures, the detailed budget, and the agency head's opinion of the changes that would be desirable, the President would make a different and final judgment in the fall of the year.

Now, if this system is successful, we have useful guidelines which are based on discussions with each agency and with the President in the beginning of the summer. Then the budget process in the fall should be a matter of considering the details of the submissions.

The fall would be the time when our budget examiners would be expected to ask the very firm precise questions: Why do you need 40 men in this office; why can't you get along with 37? What is the reason you need to augment your space? Why can't you do with less office space? And so on; these are very important questions in completing a budget, but they can only be asked sensibly if there is some initial understanding as to the size and scope of the effort that is to be undertaken.

Once it is clear roughly what kind of program the agency is going to have, then you can get and should get to these detailed and exact questions as to how many people are in fact necessary to execute the program, how much space, how much equipment, and so on. So that we would look at the process in the spring and early summer as essentially one of establishing—in a preliminary way, of course, and subject to revision in the fall—establishing the major scope of the expected governmental effort in the following year, and the budget process in the fall as a detailed, careful scrutiny of each proposed item of expenditure.

This is rather long winded, I am afraid, Mr. Chairman, but that is the nature of our plans.

Senator JACKSON. It is most responsive to the question and I believe you have given an excellent reply as to your approach on this.

In this connection, would you care to comment on the role of the Council of Economic Advisers and the Secretary of the Treasury, in the problem of meeting national security requirements with the available resources of the Nation, the deficiencies that might have to be met, and so on?

Mr. BELL. Yes, I shall be glad to.

The President has advice on budget and fiscal policy essentially from three different agencies and officers. He has advice from the Secretary of the Treasury, who is concerned with the revenues, the tax system, with debt management, with the foreign balance of payments of the United States, and with the overall financial situation. The Secretary of the Treasury, by tradition and experience, is the Government's chief financial officer.

Secondly, the President has advice from the Bureau of the Budget which is concerned with expenditures, and also with the overall relationship between revenues and expenditures.

Finally, since 1947 or 1946, with the passage of the Employment Act, the President has had advice from the Council of Economic

Advisers who are principally concerned with the economic situation in the country, but are necessarily concerned with the Federal Government's activities as part of the overall economy and as they affect the economic outlook for the Nation.

The three sources of advice necessarily cover many similar matters, the Secretary of the Treasury, the Director of the Budget, and the Chairman of the Council of Economic Advisers, are necessarily concerned with the overall level of the expenditures of the Government, with the question whether there should be a surplus or deficit in the particular year in question, and, therefore, the question of the overall level of taxes that should be planned for.

Consequently, it would be accurate, I think to say that the three of us, the three officials that I speak of, necessarily find themselves advising the President on similar questions, each from a different point of view, each with a different kind of staff responsibility.

Clearly the President should be served by individuals in these three offices who communicate with each other, who understand each other's point of view.

If they agree and present their judgments to the President jointly, so much the better. If they differ, then the President would want to hear how they differ and why, the extent to which they differ, and have the cases argued before him.

I think Mr. Dillon, Mr. Heller, and I all see the matter the same way.

We are in constant intercommunication. We meet frequently. When matters of overall budget, fiscal, and economic policy are considered by the President, the three of us are typically present for such discussions.

I might add another step here. We have recognized the interrelationship of our three agencies and the three functions to the extent of establishing fairly clear-cut lines of communication at staff levels so that while we don't have formal interdepartmental committees or anything like that, there are very rapid and continuous communications between our staff members as well as between ourselves.

I think these are the main points I would make in response to your question. I do not want to make it sound too procedural.

I would emphasize that the responsibilities of the Secretary of the Treasury, the Chairman of the Council of Economic Advisers, and his colleagues, and the Director of the Budget do interconnect, do relate to each other, and in consequence we are all involved in considering these major issues of how big the budget should be, whether it should be balanced, and what impact the budget is having on the economy of the country, and on our balance of payments.

Senator JACKSON. Senator Mundt.

Senator MUNDT. Thank you, Mr. Chairman.

I have had an opportunity to read your statement this morning. Mr. Bell, and I have a few questions I would like to ask you after commending you on your very interesting and informative presentation.

Senator JACKSON. I want to mention, Senator Mundt, Mr. Bell was born in a neighboring State. Jamestown, N. Dak.

Senator MUNDT. Yes, sir; I know that. Immediately it enhances him in my opinion, I assure you.

In connection with your statement that you and Mr. Hitch have both emphasized, Mr. Bell, about projects being 5 years in advance, which I think is an optimum goal, I wonder how you plan to do that in terms of anything realistic in view of the rapidly changing world in which we live.

I do not see how you can possibly anticipate what is going to happen in an age of missiles and satellites and one-man governments.

You have no power or clairvoyance to determine when Chairman Khrushchev is going to get tough in Berlin or anything else. You have to assume some realistic circumstances before you begin a 5-year plan.

Mr. BELL. We have to assume a lot of things, Senator. The question of how realistic and unrealistic they are will depend, as you point out, on events as they unfold as the period goes by.

The main response I would make to you, sir, is that I don't think any of us are under the delusion that in laying out 5-year plans and budgets, 5-year projections, we are outguessing the future.

What we are doing is attempting to present, to put down in an orderly fashion, the assumptions that we are making and the proposals that seem relevant to those assumptions.

We have to recognize, as you say, that we are bound to be wrong. We cannot possibly be right.

But the feeling we have is that this is a more orderly method of procedure because it does require us to lay out our assumptions clearly, to be clear as to what it is that we are resting our judgments on.

It gives us some dimensions of the future cost of commitments that we are undertaking today, that are going to have effects over a future period of time. The missile program is a good illustration.

You are entirely correct that 5 years from now we may find ourselves building missiles which nobody has dreamed of today.

We are also, however, making commitments today which will result in the delivery of some missiles 5 years from now.

It is important to us to recognize the leadtime that is involved, the nature of the impact, and the effects of the decisions we are making today and the underlying pattern which is being made by today's decisions and assumptions.

Where will they carry us? Where will these decisions we make today carry us 5 years from now?

We are building various kinds of missiles. How many are we going to have 5 years from today? What will be the devastating power, the power of devastation that they will carry? How does that look to us in terms of the possible needs that we might have?

We must obviously allow margins for error, allow safety factors.

Nevertheless, we might conclude from an analysis of the plans we now have for missile procurement and installation, that 5 years from now we are going to have twice as many missiles as we might ever need. It might be that we will have only half as many as we might need at that time.

The process forces us to face these questions of how the strategic position of the United States might be changing.

As we think about what the Russians are doing, and what we are doing, I should say, myself, that 5 years is a relatively short period of time for which to have quite clear-cut and definite projections of what we expect to do and the costs that are associated with those activities.

I suspect that we will be trying to push that frontier forward, we will be trying to think about the problems that are going to face us, not 5 years from now, but 10 years from now, 15 years from now, as soon as we begin to learn the techniques and begin to understand better how to undertake such analysis, recognizing that each year you go forward beyond the present year, each day that we project in the future beyond today, raises the probability that we are going to be wrong.

Senator MUNDT. I think it will be an interesting fiscal exercise and I wish you well, but I am afraid it is utterly unrealistic to expect that you are going to proceed with any degree of accuracy because you are not dealing with statistical means. You are not dealing with predictable elements, either, in the area of what kind of malice develops in the mind of some Communist leader or what kind of invention the fertile mind of some American inventor will come up with.

Mr. BELL. What conclusion do you reach from that, Senator?

Senator MUNDT. I reach the conclusion that there is a danger if you tend to plan too definitely too far in advance. I think you have to have a degree of flexibility.

Mr. BELL. I agree we will have to be flexible. I think we would be kidding ourselves if we thought we were laying out blueprints for the future.

But at the same time, I believe it will be helpful to us to do as well as we can, always recognizing our fallibility.

I hope that having a longer range forward look than has been typical in the past will contribute to better decisions and more sensible understandings of our problems.

I certainly appreciate and agree with the underlying comments you are making. We cannot expect that things will turn out the way our assumptions indicate they might.

Senator MUNDT. If we lived in a more orderly world, I could see a great advantage.

Mr. BELL. I don't see how we can escape something like this even in the extremely disorderly world we do live in. We have to think in as orderly a fashion as we can about our own future problems and prospects.

Senator MUNDT. As long as it does not tend to decrease your flexibility, as long as it does not tend to decrease your thinking, I think it is all right as a fiscal exercise. You can say this is the way we wished that it would be.

Now, it is not going to be this way so this is the way it has got to be.

Mr. BELL. I am not sure whether Mr. Hitch put it this strongly last week. I think he possibly did.

I heard Secretary McNamara describe his intentions in the following terms, that he would expect to see the forward 5-year program revised monthly to reflect the changes in the situation and the changes in the decisions that have been made. So that what it represents is a forward projection of the situation as it is seen at any given point, continuously revised to reflect the differences in the situation and the differences in the decisions that we may have made.

Now, I want to make it clear that I do not expect the Federal budget as a whole to be on any such basis and I am not at all sure how soon Secretary McNamara can accomplish his objectives even for the Defense Department. But the notion of having clearly before us

the forward pattern of our own decisions and the assumptions on which they rest is, I think, the fundamental case we would make as to the usefulness of our proposals.

Senator MUNDT. I think you are tackling the toughest end of the problem. If you are going to tackle it, I certainly hope you make it as part of the projection of the Federal budget as a whole because many other elements are easier to prognosticate about than the Defense Department.

We can more easily do our water resources planning and other programs.

It would seem to me to be fruitful and useful to try to project—I think Mr. Stans suggested 10 years yesterday—as far in advance as you can as to the total receipts and expenditures, total status of the financial budget.

This is the way it looks and, of course, the whole Federal budget has to be changed, too. But the trickiest part is the part in which you work in defense because over that we have the least unilateral control.

The march of world events can change that more quickly than any other area if we assume that the State Department expenditures are tied in with national defense, which I do in this kind of world.

You mentioned earlier in your statement, and I associate myself with that hope, that Congress might be able to improve its handling of the budget so that we get less of it on a piecemeal basis and more of a rounded-out look.

Did you have in mind something such as S. 529, which I believe is before the Rules Committee of the House today.

I believe all members of our subcommittee are cosponsors of that. It was introduced by Senator McClellan. It passed the Senate in four Congresses, in the 82d by a vote of 55 to 8 and the last three times, including the present, without a dissenting vote.

That is the bill that proposes to establish a joint committee on the budget composed of members of the House and Senate Committees on Appropriations. Is that what you had in mind?

Mr. BELL. Senator, I am not really a close enough student of congressional organization and procedures so that I would risk a comment on that. I do not feel competent to suggest how you might achieve this objective.

I agree entirely that the objective is a very desirable one for the Congress to be able to look at both sides of the budget and the totals, whereas, now, the matters come up either separately connected with revenues, or separately connected with appropriations, and normally in small packages without any reference to totals.

Senator MUNDT. At least this is an effort on the part of Congress to try to grapple more effectively with the administrative problems.

Both Mr. Hitch and you placed considerable stress on the so-called functional presentation and consideration of the budget.

Mr. BELL. Yes, sir.

Senator MUNDT. That is something different than the normal procedures of the Army, Navy, and Air Force?

Mr. BELL. Yes, sir.

Senator MUNDT. I wonder if you have in mind in connection with that the reorganization of the Pentagon so that your secretarial administrators will also be arranged according to function?

Mr. BELL. These are two entirely different questions, Senator. What I have been talking about and what I understand to be the point in Mr. Hitch's testimony, was simply to provide a better method for combining and grouping together related expenditures for the purpose of analysis in budget making and in planning.

This is quite independent of the question of how the Pentagon should be organized for the greatest efficiency.

Senator MUNDT. Let us examine that, Mr. Bell.

If we are going to analyze our expenditures functionally and make the representations to Congress functionally, the Appropriations Committee is going to look to somebody to hold responsible for the carrying out of that appropriation function.

Mr. BELL. Yes.

Senator MUNDT. If it is divided, dissipated, and distributed over all the three services, it will make it more difficult for us to know what is going on instead of easier.

We are trying to do this so all of us can understand better what is going on.

One of the first essentials as we deal together, the administration and the Congress, is to have a fixation of responsibility.

You want to know who you are dealing with.

So it seems to me if this develops that ultimately you would have to have some reorganization of the Pentagon. Each of these functions would have to have somebody responsible maintaining the representation to the Appropriations Committees of the Congress. We do that.

The Air Force top man, Navy top man, we know who we are dealing with. He has a specific budget. If he cannot live within it, he comes before Congress. There is no confusion of authority.

How do you meet that challenge under your system of having the budget presented functionally, but operated on the basis of the services?

Mr. BELL. At the moment, Senator, I am sure that the budget insofar as it is in fact presented functionally, will also be presented in terms of the services.

Thus, it would be possible for the congressional committees concerned, for everyone concerned, to see the functional budget for strategic warfare, which would include Air Force missiles and Navy missiles, to give you an illustration pulled together and lined up side by side.

Also, at the same time, the budget will be presented to the Congress and presumably the Congress will, at least for some time to come, act in terms of making appropriations to the Air Force and to the Navy.

The Congress would appropriate to the Air Force for the MINUTEMAN missile, and they would appropriate to the Navy for the POLARIS missile.

At some future time I suppose it is conceivable that there might be some change in organization within the Pentagon, but this is not a necessary consequence of this method of budgeting. That would be decided on its own merits. Those questions, of course, are under consideration at all times by the Congress and by the executive branch.

Before you came in, Senator Stennis was here and commented on an experience that evidently the Congress had, a year or two back

when the budget for the North American Air Defense Command—which is a functional budget made up of pieces that are appropriated to the Navy, the Air Force, and the Army—when the commander of Norad was apparently not appropriately consulted in some change that one of the services made, even after an appropriation had been enacted.

This is the kind of problem you are citing. It is a real problem; there is no doubt about it.

All we are suggesting, however, at the moment, relates to the decision-making process on plans and budgets and it seems to me it is quite feasible to cut these matters two ways: To put them together functionally, which I think is the best method, in order to analyze and make decisions on them, and then to slice them a different way and put them together in terms of services, which is the traditional pattern of appropriations and is perfectly suitable and may well continue for quite a while; and to keep the responsibility then on the heads of the Department of the Navy and Department of the Air Force for executing plans affecting the different functional areas, but making sure that those plans are properly coordinated.

This is the nature of what we are suggesting.

Senator MUNDT. Thinking in terms of this functional breakdown as another device on which you can focus on the problem from different angles.

Mr. BELL. Yes, sir.

Senator MUNDT. I can understand and appreciate the more angles which you can focus on, the better. I was thinking in terms of what you had in mind when it comes to making representations to the Appropriations Committee.

I think it naturally follows that when you make those representations, if they are made in terms of functions, we expect some functionary at the top of the function we could hold responsible. We do this now as the budget is presented to us in terms of services.

As I understand you now, you do not intend to carry out the functional program to the extent of making your presentations to Congress that way. You intend to follow the customary procedure.

This will give you better information when it comes to answering questions at the time you ask for money.

Mr. BELL. I do not want to seem to be ducking your questions. I would assume it would be appropriate for the congressional Appropriations Committees to call before them the Commander of the North American Air Defense Command and for him to discuss his budget with them. That is a functional budget. It is made up of pieces that are appropriated to the Army, Navy, and Air Force.

Simultaneously the Appropriations Committees will be calling and hearing from the Chief of Naval Operations, the Chief of Staff of the Air Force, and the Chief of Staff of the Army, who will be justifying, in part, the same expenditures which the Chief of the North American Air Defense Command has been justifying.

In other words, I would assume that the Appropriations Committees will hear their stories from these two different angles.

Now, the appropriations pattern, I assume, will continue, at least for some time, to be one of making appropriations to the services rather than appropriations being made to the Chief of the North American

Air Defense Command. But I don't think there is any escape from having the story told in both ways and looking at it from both standpoints.

Furthermore, the overall presentation by the Secretary of Defense and his associates may very well tend to become more a functional discussion of the Defense problems of the country and how they propose to meet them, and less of a discussion in terms of the three services than it has been in the past.

Senator MUNDT. I have no opinion as to whether a change or reorganization of the Pentagon in terms of functions would be good or bad, desirable or undesirable.

Mr. BELL. I understand.

Senator MUNDT. I am simply trying to point out the practical necessities of having some relationship between the areas of jurisdiction in the Pentagon, the requests for funds and the followthrough that the committees of Congress are supposed to exercise on the expenditure of funds.

Mr. BELL. That problem is with us today, Senator, and I expect it will be with us for some time.

We do have the so-called unified commands and those officials do exist and they are supported by appropriations from two or more services and it makes for a complicated situation, but it reflects the underlying nature of the defense problem that we have and of our plans for meeting it.

Senator MUNDT. I think you use the English language rather accurately when you say our so-called unified commands. I think you were very meticulous when you used that word.

I was happy to read in your statement that the Bureau has established close working relationships with the Special Counsel to the President and Special Assistant to the President for National Security Affairs and Special Assistant to the President on Science and Technology and others that advise the President.

Yesterday the former Bureau of the Budget Director, Mr. Stans, said it was his practice to sit in in all meetings of the National Security Council.

Is that practice being followed by you?

Mr. BELL. It is being followed by the President. He has so far invited me to be present at meetings of the National Security Council.

Senator JACKSON. I want to say, Senator Mundt, we will have an executive session at the conclusion of this session to take testimony on the NSC. Under the rules we have followed in the past, we will take the testimony first in executive session.

Senator MUNDT. That leads me over to my final question, Mr. Bell.

I am a little bit disturbed about the implications of the words "country programs" coming along with the budgetary concept. Program packages, that is all right. We have been discussing it. Now we are going to talk about country programs in terms of foreign aid budgeting.

To me that opens up a Pandora's box of undesirable possibilities. I think if the word gets out that the U.S. Government, in its annual budgeting, is providing a country program for the countries we seek to help in Africa, Asia, and Latin America, those three areas, that we are not too far away from the day when, in addition to the Appropriations Committees and subcommittees, listening to delegations

from every one of our 50 States who come in for public works projects, we can anticipate we will have delegations from every one of 100 different countries:

Our country program needs a little stepping up in this area. One hydro-electric dam the Budget Bureau failed to put in, and even if it is not in the budget we want to have it added.

It seems to me this is formalizing and finalizing and perpetuating foreign aid so that you have already passed the American taxpayers and brought in the union for financial support as many as a hundred new states in the distressed areas classification to be supported.

I think it is discouraging enough to face up to the necessity, which we must, of continuing foreign aid, until we find some more effective instrument of foreign policy.

But, to make it part of the budgetary concept as a country program—I suspect there are a hundred countries which we are presently aiding in one way or another. To make it final and to make it fixed and to have it set out in that fashion just sends great big elephantine shudders up and down my spine to think about the potential costs we will run into.

What do you have to say about that?

Mr. BELL. I have two or three comments to make, Senator.

In the first place, as I understand our underlying conception, the aid program is intended to put these countries on their own feet.

The underlying effort is to assist them to establish themselves in an independently viable existence, in economic terms, in political terms, and in military terms.

Therefore, I take it whatever we do by way of budgeting should reflect and contribute to a systematic effort to help these countries get into a condition in which they can support themselves and for which foreign aid is not necessary.

We can see, we have seen in recent years, a number of countries making substantial headway in this direction.

I take it that we would agree that this is the right direction and that whatever we do should contribute to that end.

Now, the question, therefore, it would seem to me, is whether the country programing system is the best and the most effective way to achieve that end.

I would, myself, argue that it is. I would understand the country programing process to be one which insists that each country that we are going to aid consider its own resources first, consider its own capabilities, consider its own problems, and make the best plans that it can for calling on its own resources to the maximum extent, and then to indicate the extent to which it may need outside assistance. We can then consider what, if anything, we are prepared to do, along with other countries, along with the world bank and the other international agencies, to assist the country in question.

Consequently, when I speak of country programs, I conceive of country programs which start with the country's own resources and not with ours, to which our efforts become marginal, and the question is what margin of additional outside help may, in our own interest, be sensible for us to proffer in a given case.

The advantage of doing it this way, tackling the problem this way, it seems to me from what little experience I have had abroad in Asia, is that in this way, and only in this way, can one understand effectively

the appropriate relationship between what the country, itself, can do and what outsiders can and should do.

If you look only at individual projects, or if you make some other arbitrary judgment, having only a partial picture of the problem before you, it would seem to me not to be an effective way of making these decisions.

I have seen illustrations in the field in which the U.S. economic assistance and U.S. military assistance were not well integrated because they were not effectively related to a country program which included a proper consideration of the entire problem, including the scope of what the country, itself, could do.

We have simultaneously in some cases in past years—I hope this will no longer be true—we have simultaneously on the one hand, encouraged the building up of a military force which could be maintained only if the country's economy were greatly strengthened. Simultaneously we were not putting in enough economic aid to help them reach that level. So our military aid policies and economic aid policies were not tied together.

One of the advantages of a country programing process, if it works as I have indicated, is that our economic aid and our military aid can be appropriately related to each other and to the efforts of the country in question. Furthermore, it is feasible, given a sensible assessment of the country's program, to understand the relationship among the other efforts that the United States is making in a given country—the information effort, the education and training effort, and so forth. Thus, if we are expecting and hoping that a country is going to achieve a condition of satisfactory independence over a particular span of years, and that is going to require the training of a certain number of persons to take over top level administrative jobs or technical jobs, we can then compare the need with the training that is underway. We can look to see whether there should be additional training going on, through our own efforts or somebody else's.

This is the sort of idea, sir, that underlies the process that I referred to here as country programing. It would be, I think, as abhorrent to me as to you, to conceive of this as a device that would result in endlessly continuing larger and larger aid programs.

I see no reason why that should come about from what seems to me to be essentially a very useful and significant improvement in procedures.

Senator MUNDT. We already are witnesses to a continuing parade of foreign officials who come to lobby on the White House and on the State Department in connection with our aid program.

There are always a delegation of two or three in Washington for that purpose. I would hate to see that spread to the point where they are going to have to come to the Appropriations Committees of Congress. As the Mississippi Valley Association comes in or as the people come in from each of our States for projects—you have said that the aim of this program is to put the countries on their feet, the people of the countries, I presume, on their feet. That is laudable, but I wonder if, in that kind of changed concept of our foreign aid which veers it away from something which is essential to the preservation of their freedom, to something which is humanitarian and eleemosynary and wants to see underdeveloped people on their feet, if you have projected this in your 5-year slide rule as to what that would actually mean.

The world—take our own country—for over 150 years the white man has been trying to put the red man on his feet. The Indian from whom we stole this country. We have been trying to put him on his feet. There are only about 350,000 of them.

We are spending tremendous amounts of money per Indian. After 150 years we have failed almost completely to put the Indians on their feet. They are still living on reservations in miserable houses under worse conditions than most of the people are in abroad, on floors, eating dog meat on some reservations, without heat, suffering from disease.

We are spending a tremendous amount of money. We could not conceivably manufacture money fast enough in this country, Mr. Bell, by stopping all the automobile plants and starting to make dollar bills to provide at a per capita rate as much aid to underdeveloped people around the world as we are providing for the Indians.

We are spending the money, but we are not somehow or other getting the results.

This is no criticism of Democrats or Republicans. Everybody has failed to get the job done.

Now, if that becomes our goal, if we are going to assume responsibility, to underdeveloped people everywhere, to get them on their feet, to develop their countries, if foreign aid ceases to be an arm of the military, an arm of the State Department as part of the cold war conquest to defeat communism and becomes a perpetual, continuing humanitarian effort to upgrade people everywhere, what are we going to do for money?

Mr. BELL. There is no such intention, Senator. I certainly meant to imply none in my comments here.

The objective of the foreign aid program remains what it has been: to contribute to the security of this country.

Senator MUNDT. To help them get on their feet?

Mr. BELL. Exactly, to get them on their feet. That is the method. That is what needs to be done to contribute to the security of this country.

Otherwise, the general consensus is that the risk of their being taken over by communism is very high indeed. I take it that we are not in disagreement on the undesirability of such an outcome.

The purpose here, the point that I am making here is entirely a procedural one. It has nothing to do with an eleemosynary objective, of any conceived eleemosynary objective of the foreign aid program.

In fact, I could turn it around and suggest to you, sir, that if we had approached the problem of our own Indians on a basis such as is suggested here, if perhaps we now do that, as I believe is one of the suggestions that is made in a task force report on Indian affairs that has recently been made to the Secretary of the Interior, if we look at each Indian tribe on each reservation and each reservation as an area containing certain human and physical resources and try to work out a development program, a country program, if you will, for that tribe or reservation, and conceive of what they can do for themselves, what their objectives ought to be and what outside assistance might be helpful to them in the form of loans or technical advice or whatever it may be, in order to achieve specific objectives in a specific period of

time, this would be applying to the Indian problem the same kind of notion that I am suggesting we are beginning to apply in the foreign aid field.

It seems to me that is the most efficient way to achieve the results we want.

Senator MUNDT. I wish you would devote some of your abundant talents to a solution of the Indian problem. For some strange reason the President has left the office of the Commissioner of Indian Affairs open. If you have some time I wish you would assume some responsibility because we need help in that area.

Mr. BELL. He has just sent up a nomination.

Senator MUNDT. In this connection, I wonder if you have recognized that if this comes up to us on a country basis, this necessitates the fact that the congressional committees have to consider these appropriations on a country basis which I think and wisely so, the departments downtown have always resisted.

It seems to me this is an area, talking now not about Indians, but foreign aid, where your functional concept really makes more sense than a country-by-country one because if we start to hold hearings, evaluate practices, specify appropriations on a country-by-country basis for 100 foreign countries as we do for the 50 domestic States, I do not think it will be good for the program.

I think it will be a hopelessly long process; I think this is going to give—this is the danger—as soon as you set this up on any calendar accounting on a country basis, this gives a reasonable expectancy on the part of the recipient country that it is going to get this money year after year. Once a country develops an expectancy for money from Uncle Sam, there ceases to be gratitude and there ceases to be a recognition of friendship and cooperation and a feeling of good will just as soon as they get a dollar less than they had been expecting.

I do not want to get us into that area. I want to keep that in a functional area. In this area of Asia we have to spend a hundreds of millions of dollars to help develop the economic strength and military strength.

I do not want to get us committed to Cambodia so much, Vietnam so much, here they come down the line.

I do not want to get you in a position where you have to justify them before the Appropriations Committees, on what you call a country program.

I am afraid it is sticky business. It is going to hurt the program and I do not think that it is the kind of concept we should get around the world, that everybody has been brought in, they have been given a dollar tag.

And there is enmity among these countries, too.

Mr. BELL. That is right. The same response applies here, sir, as in our previous discussion of the military budget.

If the country programs underlie the basic planning and budgeting, it does not necessarily mean that that is the form in which the requests come to the Congress or in which the Appropriations Committees would need to consider them.

The functional appropriations would continue to be the appropriate method for the Congress to use in deciding on money to make available for this program, just as you suggest.

Senator MUNDT. I yield to Senator Humphrey.

Senator HUMPHREY. First, Mr. Chairman, I wish to commend Mr. Bell on his precise and very thoughtful statement on one of the most important problems we face—the budgetmaking process and the relationship of budgetmaking and planning.

I was interested in your comment in your opening statement, Mr. Bell. We are well aware that a number of efforts have been made by the executive branch over the years and with the cooperation at times of Congress—sometimes what the administration does not think is cooperation—as to the reorganization of the executive branch activities and agencies.

You have commented upon the importance of the integration of long-range planning with the budget procedure and then you said as follows:

In passing, I might add that it seems to me the Congress, because it considers budgetary matters for the most part in fragmented form, does not face quite the same necessity to consider the effect of separate budgetary actions in relation to each other and to the entire budget. The Congress might well seek methods that would assist it in giving a more sharply focused consideration of such matters.

Now, do you have any sharply focused suggestions?

Mr. BELL. No, sir; I don't. I am not a close student of congressional procedures and organization. I am afraid I am in the position of pointing to a problem and not having a suggested solution for it.

Senator HUMPHREY. Are you familiar with the proposal of the Joint Committee on the Budget?

Mr. BELL. This, I believe, is the same thing that Senator Mundt was asking me about. No, sir; I am not. I know about it in general, but I have not studied it closely.

Senator HUMPHREY. One of your predecessors, Mr. Lawton, I believe it was, in 1951, strongly endorsed this proposal.

Mr. BELL. Yes, sir; that is right. He is a fine man, I worked for him.

Senator HUMPHREY. He seemed to feel there was considerable merit in the proposal.

Mr. BELL. Mr. Lawton's opinion would be very weighty in my judgment.

Senator HUMPHREY. Has the Bureau of the Budget expressed any official attitude or official statement on S. 529, a proposal of Senator McClellan on the Joint Committee on the Budget?

Mr. BELL. I don't believe we have, Senator. I will be glad to check the point. Normally we are careful to avoid making comments on matters of congressional organization or procedure, for obvious reasons.

Senator HUMPHREY. I can understand your approach to this.

May I say that your skill indicates that not only are you an able Director of the Budget, but possibly we need you in the field of diplomacy.

Senator MUNDT. In addition to being Indian Commissioner.

Senator HUMPHREY. We have a nomination up for that now.

Mr. BELL. The expected tour of duty of Budget Directors is relatively short.

Senator HUMPHREY. You can outline some alternatives.

It seems to me that one of the great weaknesses in the budget process is on the legislative front. I imagine you are going to be hesitant to comment about this. You are a prudent man.

But one of the objectives of this subcommittee is to improve the national policymaking machinery. Of course, national policymaking is not just done by the executive branch; it is also done by the legislative branch.

I find it rather disconcerting to see a head of a department having to go from committee to committee, subcommittee to subcommittee, to discuss what is today very obviously an interrelated problem.

This is particularly true when we get into matters relating, for example, to research. We had some hearings in this same room a couple of days ago on the subject of research, both basic research and applied research, research in Department of Defense, National Science Foundation, Atomic Energy Commission, and many departments of the Government.

It seems to me somewhere along the line as we talk about budgeting being directed toward planning and planning toward budgeting, and getting the long-term look, particularly as it comes to some of our research activities, we are going to need to improve the machinery of the legislative branch.

Now, you say that is beyond your purview of responsibility, and it is in a sense, but you are a wise man in these areas and I hope sometime when we get off the record discussions you might be able to share some of your views with us because I think the biggest stumbling block to efficiency in government is right at the congressional level. I think it is right here where we utilize and consume the time and fail to integrate the many activities that are going on.

I pointed out one example here recently of where the Atomic Energy Commission, the Department of Defense, and other agencies were conducting a program relating to the improvement of means for nuclear test inspection and control and identification.

Yet we find the National Bureau of Standards as a participating agency in the Department of Commerce comes in for a little appropriation in the field of research that was an integral part of a total overall packaged program. The trouble was they just forgot that package.

It is like perfecting the automobile and leaving out the spark plugs and saying, "Why don't you take a trip?" Everything was there except what needed to be there.

The Bureau of the Budget had done its job in this. The total program had been presented, but when it came down to Congress we had a Subcommittee on Commerce and other related activities, and another Subcommittee on Defense Expenditures, which is meeting right now, by the way, then you have another subcommittee over here on Independent Offices.

If members of these subcommittees do not happen to have remembered everything that took place in the other subcommittees of which they are a member, somebody gets left out.

Now, what do we do about that, Mr. Bell?

Mr. BELL. Senator, I do try to be prudent in these matters. I would suggest, however, one thing that occurs to me as a result of what you have said.

I think possibly the right way to approach this matter, to analyze it and try to reach a solution, is to think in terms of the needs of the Senators and their organized methods of doing work, and the House Members on the other side.

This is your problem. It is the problem of getting enough information and understanding in your mind and those of the other Senators. The problem is how to organize the procedures and the information that is available, the judgment of your staff members and the people downtown that you can draw on so that you can master these very complex problems of which you have given illustrations.

It seems to me this is the right point from which to start out, these are the right questions to be asking as you face this issue, because each Senator in the fundamental philosophy of the legislative process, each Senator and each House Member, is supposed to know enough and to have enough judgment to participate in decision-making in nearly everything that comes before him. He obviously can't be expected to know all the details about everything, but he has to master a very wide range of issues.

To see how he can do that with the problems changing all the time, with the agencies as they exist, or as they can be altered in case alteration would help meet these problems, the kind of staff assistance, the kind of information techniques that are available—this is the nature of the problem.

One step that might help might be an extension of a system which has begun to be used by the House Appropriations Committee which I think is undoubtedly very useful. I am told about this. I haven't yet been through it.

In recent years the Director of the Budget and the Secretary of the Treasury have appeared before the House Appropriations Committee for 2 or 3 days to go over the whole budget, to talk about it as an integrated whole, before the Appropriations Committee has broken up into its various subcommittees to take up the different agency budgets.

It is a small step, but it seems to me it is a significant one and illustrative of the kind of thing you are talking about, to think of getting groups of Senators together for briefings of various kinds on broader subjects than they normally are meeting to consider.

This might conceivably be useful.

Anyway, the only comment I am really trying to make is that I think the right way to take hold of this problem is to think of it as a problem of getting information and facts and ideas into the minds of the Members of the Legislature.

Senator HUMPHREY. Mr. Bell, I fully appreciate the importance of improving the budgetmaking process at the executive level. We have come a long way. The budget is the most complicated instrument of our Government and it is the most important control instrument. It actually makes policy, at least if it does not make policy—I should not say that.

Mr. BELL. It reflects policy.

Senator HUMPHREY. It reflects policy; that is correct. That is an appropriate description of it. But if it reflects policy at the executive level and there is not a comparable apparatus at the legislative level, that reflection can become very distorted.

This is what is somewhat disturbing, it seems to me, for the long pull.

Take, for example, an area in which I have been doing some work, myself, this whole matter of basic research. Everybody is for it except those whose responsibility it is.

Somewhere along the line a decision has to be arrived at as to how much money this Government is going to throw into the fields of basic research. This is not a very exciting pursuit, you know. Most people are critical of basic research.

Nevertheless it is the water table so to speak of our intellectual reservoir, of our intellectual reserve.

Now, the Bureau of the Budget very well reflects administration policy as to how much ought to go into this, but if it comes down here and it gets chopped up in little pieces, all the way along the line, one of the easiest places to show you are economy minded is to cut off \$2 million here, another \$5 million here, and \$10 million in basic research because what basic research does may not be reflected during one's term of office.

It may take 10, 15, 25 years before it demonstrates any importance whatsoever.

I feel from the legislative branch, and I say this to our worthy chairman who has done an admirable job here in looking at how we might improve the policymaking machinery of our Government, we tend to think of our Government essentially as the executive branch in fact when the legislative branch can make or break a policy and can distort the reflection.

Mr. BELL. That is right.

Senator HUMPHREY. My final point is—and this is just an observation—I am delighted that you, as an officer of this Government, come up here and unashamedly and courageously talk about planning.

I used to feel that planning had almost taken on the cloak of being an un-American activity here for a while. I suggested that we ought to take it out of the doghouse and put it into the White House.

Now, I see that they put it in the Bureau of the Budget, which is at least close to the White House, a step in between. It is very desirable.

When you project planning, Mr. Bell, I hope you won't do what I saw as a 10-year projection that was made here a couple of years ago.

I saw a 10-year projection on research and the 10-year projection showed each year they had the same amount as they had in 1960.

Now, I have a 16-year-old son that can do that. He is in his junior year.

Three and a half billion dollars in certain types of research activities, that was the amount that was scheduled from fiscal 1960 or 1961 and it was scheduled right on up through to fiscal 1970.

That of course did not take into consideration inflation, it did not take into consideration that as you develop you become more complicated. You have more sophisticated projects and instruments you are working with.

What do you do about projection? I saw your 5-year projection.

Did not President Kennedy ask you to make a 5-year projection in the field of research activities?

Mr. BELL. I think you may be thinking of oceanography.

Senator HUMPHREY. No; I am thinking about not just oceanography; there was a 10-year projection on the part of the Bureau of the Budget in 1960.

Mr. BELL. Yes, sir; that was released in January under the previous administration.

Senator HUMPHREY. That is right.

Then President Kennedy asked for that to be telescoped in a 5-year projection?

Mr. BELL. We have been working—

Senator HUMPHREY. I do not know whether you have completed it or not.

Mr. BELL. We have been working on that, but no figures have been made public so far as I know. In fact, we don't have a complete set of figures.

The defense matter is still so much under review that we do not have, we have not been able to pin them down to a firm basis.

Senator HUMPHREY. My point on this, Mr. Bell, is simply this: Do you ask separate agencies like Navy, National Science Foundation, Atomic Energy, to just give us your figures for the next 5 years, or do you have some way or means of balancing off an integrated figure after discussion or consultation so that in a sense a policy decision is arrived at, a consensus of functioning agencies rather than a sum total of the individual agency, or department requests.

Mr. BELL. Yes, sir. We attempt to do what you are describing.

I would shy away from the word consensus. I do not think we ought to rely on consensus among agencies. That may very well simply represent the least common denominator.

But obviously if research is carried on as it is in many different agencies, it is necessary to consider the interrelationships among those different research programs, to try to conceive of the appropriate total and the appropriate balance among the elements.

This, I take it, is what you are describing.

Now, one of the principal advantages that we see in this long-range forward budgeting is that it provides a means by which you can line up the activities that will be taken on, will be carried on by different agencies, and can ask the kind of questions you are talking about.

We think that this is one of the most important aspects of the Budget Bureau's work, to identify and to relate the different aspects of a problem which are underway in different agencies.

The product will be various. In every case it should be a sensible total budget in which the piece that is to be carried by the Department of Commerce and that which is to be carried by the National Science Foundation, and so on, are correctly conceived in total and in relation to each other.

It may also be that such a review will provide a special result as in the case of oceanography, when a special document was put together and the President transmitted it to the Congress, setting forth the different types of work that are underway in different Federal agencies that affect, or are related to, the overall subject of oceanography and making recommendations about them.

This, incidentally, relates to what we were talking about a few minutes ago. I am sure it will be of great benefit to the Congress to have

a summary of the oceanographic efforts that are underway in the Federal Government in one document, something that you and the others can look at and see this in one place, rather than have to dig it out from the various departmental budget submissions or what not.

So that we do indeed attempt to relate the elements correctly to each other and to try to think about the overall totals of activities which are carried on by different Federal agencies.

Sometimes, of course, it is our judgment they should not be carried on by different agencies at all, but they should be consolidated under one agency or some other reorganization should be undertaken. This is another type of product of the analysis.

Senator JACKSON. Senator Humphrey, I want to associate myself with your earlier statement about the fractionated way in which we on the Hill approach some of the problems that are presented to us from the executive branch. It seems to me that maybe some progress could be made if the executive branch would present certain proposals as a package. This would force Congress to make whatever committee changes are necessary to cope with that problem.

I dislike putting it that way, but we are a bit conservative as far as making any changes in our committee system is concerned.

The fact of the matter is that we had a military affairs committee and a naval affairs committee, corresponding with the organization of the military establishment. Then, when we set up the Department of Defense, we merged into one committee, the Armed Services Committee.

I merely make mention of this as an illustration.

This is the way it has happened historically. The executive branch makes the move, announces that they are going to, let us say, make a presentation on a functional basis—take your science problem, including the question of detection and identification of possible clandestine nuclear shots, it would be helpful if this whole problem could be presented by the executive branch for budget purposes as one package.

I do not say you can make broad functional presentations in every instance. Maybe that is not the best illustration. But where you have a broad area to cover, it would force the Congress to make the necessary committee adjustments to meet the presentation that the executive branch would make.

Senator HUMPHREY. In this space agency activity that we will run into, related activities not only on the part of the National Aeronautical and Space Agency, but on the part of older, established line agencies of the Government.

Mr. Chairman, I am going to leave. I wanted to come to hear Mr. Bell. I am sure he knows my high regard for his views.

Senator JACKSON. Thank you, Senator Humphrey.

Senator MUSKIE?

Senator MUSKIE. Thank you, Mr. Chairman.

I am sure this subject has been covered thoroughly up to this point, but I do have a few questions I would like to ask Mr. Bell.

In your opening statement, you state as follows:

The Budget and Accounting Act of 1921 included two major reforms which remain the basic foundations of the system today: One was the requirement that only the President (not his Cabinet officers or agency heads) may transmit a request for funds to the Congress—

Senator Humphrey has made the point that policymaking is a legislative function as well as an executive function.

The President, before he transmits his recommendations to the Congress, has available to him many alternative choices. Each of them, I presume, is advocated with greater or less persuasiveness by people who insist they are important.

Do you think those same alternatives ought to be made available to the Congress, advocated by the same persuasiveness and by the same advocates as they are before the President?

Mr. BELL. Senator, I think that this is a matter which is largely within the control of the Congress. They can hear as much discussion of any subject as they may wish.

The President's budget is before them, his recommendations. It is the responsibility of his officers to explain the President's recommendations, to make it plain why the President reached the conclusions that he did in the case in question.

They are also, however, quite free and expected to respond to questions on the part of committee members as to what views, if any, they may personally have, which differ from those of the President and why they may differ.

This takes place, as you know, very frequently in committee hearings. I think the point that is made here is a little different. That is to say, the comment I made in my statement about the Budget and Accounting Act of 1921 has to do more with the President's relations with his own executive branch than with the relations of the executive branch to the Congress.

Prior to 1921 it is my understanding that the various Cabinet officers and agency heads submitted to the Congress such fund requests that they considered necessary to carry forward the work of their departments. There was no such thing as a Presidential budget and the reform that was made was to require that the Cabinet officers respond to the President's instructions, so to speak, and that they come to him and that he put together his own judgment as to the overall executive branch position. The Cabinet officers, however, are not by that action disbarred from responding to questions from the Congress.

Senator MUSKIE. What I am speaking about is something different than responding to the questions. Questions might not be probative enough. To ask questions which would elicit the information is a hit-or-miss proposition. We are, sometimes, shooting in the dark.

What I am interested in knowing, and I am not advocating anything, I am asking questions—I am interested in knowing whether or not department heads or agency heads should be discouraged from advocating to the Congress a proposition which they are not successfully advocating to the President.

This could be very important in the field of national security, particularly in the field of defense.

There has been a great deal of discussion in recent years as to whether or not the Congress is kept in the dark about important policy or program recommendations in the field of the military because they were advocated to the President, rejected by the President, and thus discarded.

It is your feeling that views that are that strongly held by department heads and agency heads ought to be volunteered or at least there

ought to be an opportunity for the departments to volunteer to committees of Congress.

Mr. BELL. Senator, I am not sure that there are major instances in which the views of agency heads have not been brought forward in the kind of case you speak of. I take it that most of the Members of Congress who are interested and follow military matters closely will be aware of the issues involved in a given set of policy decisions and do not need to have any special invitation extended to the different officials of the executive branch to know where the arguments lie.

The arguments are not concealed. In our system the arguments typically are loud and clear and everybody knows what the issues are. They are debated at great length, in the Congress, in the press, and everywhere else.

We have a group of reporters who specialize in reporting on the Pentagon, as I am sure you know, and who ferret out issues, ideas, and problems, frequently at such an early stage in the consideration that it is very confusing to those who are trying to consider these matters in an orderly fashion.

So I am not sure that the premise you suggest, namely that there are any significant matters that do not come before the Congress because the President has settled them in one way rather than another, I am not sure that that premise is realistic.

Senator MUSKIE. I am not trying to establish a premise. I am trying to define a policy. You say in effect that any department or agency head who strongly disagrees with a budget recommendation of the President and the policy of this administration is free, without any fear of retribution or punishment, to present his views on that subject to a committee of Congress.

Mr. BELL. The policy of the administration is identical, so far as I am aware, with that of the previous administration and the one before that. In each case the policy has been, and is, that the members of the administration are expected to support and explain the President's position and recommendations and why they were made and what their justification is.

Beyond that they are entirely free to respond to questions about any personal views that they may have which are different from those of the President.

Senator MUSKIE. Are they free to volunteer any differing views that they may have?

Mr. BELL. So far as I am aware they are not and have not been under any administration I know about. If a man feels so strongly in his differences of view with the President that he wishes to volunteer those differences there is a perfectly obvious course open to him. He can resign and volunteer them to his heart's content. Many officials of every administration have done that.

Senator MUSKIE. Do you think, returning to the point which Senator Humphrey made so well, that Congress is part of the policy-making machinery, do you think that this is the best way, the most effective way to present to the Congress the same alternatives which are available to the President before he makes his budget recommendations?

Mr. BELL. Well, it seems to me that there are undoubtedly many improvements in procedure which are feasible.

Senator MUSKIE. This is more than procedure.

Mr. BELL. The basic response I would make is the one I have already made, namely that it seems to me that the Congress does not suffer from absence of knowledge of what the issues are, nor of skilled advocacy of different points of view.

It seems to me that the issues are clear and Congress knows what the issues are, that the matters are not hidden or smothered under this system we have today.

Therefore, it seems to me the airing of national policy issues, the participation by the Congress in deciding national policy issues, rests on quite an adequate basis of available information and points of view.

Senator MUSKIE. You say the Congress does not suffer, but at the same time you say that people who hold these points of view that may differ from the President are not allowed to volunteer their points of view. Then all that is left to the Congress is to dig these things out by questions in the dark.

Mr. BELL. Not ordinarily, Senator. You see, in most cases the President will be accepting the recommendations of his subordinates. It is the rare case, rather than the customary case, when the President overrules them.

Senator MUSKIE. The rare case may be the critical one.

Mr. BELL. Let me make my point about the general case first. Typically what the Congress is considering is the difference between the administration point of view—a view that is quite uniformly held by the President, the Cabinet officer concerned, the Bureau chief, the man in the military service—and someone on the outside who says that this is all wrong, it is an improper view. Therefore a typical argument is between those in the administration who hold that a given policy judgment is correct, and outsiders who say no, that is an incorrect assessment of what should be the national policy. In such cases, obviously the kind of issue that we have been talking about is not a problem at all.

Now then there are cases in which there are differences of view within the administration. In virtually every such case—and I would almost say in every such case except I do not like absolute phrasing—in virtually every such case the issues involved are widely known and quite thoroughly aired by individuals in and outside of Government, by Members of Congress who follow these things closely, by congressional staff members who have very close communication with the executive branch, by newspapermen who make it their business to find out where the issues lie because they are newsworthy. So that it seems to me a most extreme assumption that the Congress would, in fact, be losing anything substantial because executive branch witnesses are expected to support the President's point of view.

Remember, also, the safety valve that I indicated a few minutes ago, that if there are issues of very great significance and the man in the executive branch differs with what the President decides, there is nothing at all to bar him from resigning and speaking up on it. This is often done, but I think it is a very unusual case in which this is important or necessary to obtain a free airing of an issue.

Senator MUSKIE. You do not think that the executive branch has a positive responsibility to assure that every consideration of facts which the President considered material in his own judgment making should be made available to the Congress in its judgment-making process?

Mr. BELL. On considerations of fact certainly I would entirely agree. Every consideration of fact.

Senator MUSKIE. Judgment?

Mr. BELL. Well, judgment is a different matter, Senator. Why should the Congress care? Why would the Congress want to have before it a complete listing of every judgment, 20 layers down the hierarchy?

Senator MUSKIE. I did not say that. I asked do you think that the executive branch has a responsibility to the Congress to present to the Congress every factor in consideration which the President considered material in his own judgment making?

Mr. BELL. I am not sure quite what you are trapping me into.

Senator MUSKIE. I am not trying to trap you.

Mr. BELL. That sounds like a reasonable statement, why would that not typically be done if the President presents to the Congress every material consideration?

Senator MUSKIE. Let me finish my statement lest I be accused of trapping you. Even an argument or judgment which the President rejected may have been material. In other words, the President is in a difficult position, it seems to me, to form firm judgments unless he considers not only those arguments which ultimately support the decision that he makes but also those arguments which he rejected but which sharpened the validity of the arguments which he accepted.

Mr. BELL. Right. Typically in his presentation of the matter if he sends the matter up, or in the presentation of the matter by such of his officers as present it to the Congress, all the relevant arguments are presented. A contrary argument will be stated in order that the President's reasons can be given as to why he did not accept it. This is the normal form.

Senator MUSKIE. Can he present it as enthusiastically as the fellow who offered it in the first instance?

Mr. BELL. That is a different question. You asked whether the argument was made plain. Typically it would be made plain. The President does not have to advocate both sides of an issue with equal strength.

Senator MUSKIE. That is why I believe that both sides should have an opportunity to argue it.

Senator JACKSON. It is my understanding of course that Congress, Members of Congress, can ask a Cabinet officer or any member of the executive branch for the information that they need in connection with the justification for the rejection of project A. In other words, I think that the distinction here, as I understand it, is that it has been the view of all Presidents that Cabinet officers should not come up and volunteer to alter the President's program as made by the President.

But if a member of a committee desires certain information of the Cabinet officer, then that Cabinet officer—I am sure this has been the view of most of our Presidents—should give a forthright and candid answer to the question and make available all relevant information.

You may get into certain areas, and I am sure that Senator Muskie will agree with this, that are privileged within the executive branch. We are not talking about that I am sure.

But the point I want to make is that members of the committees can in their own way get the information out on the table and this is being done every day. Somehow the word gets out that so and so is opposed to a decision of the President and the members know the questions to ask and all of a sudden the whole story is out.

So in the long run only on rare occasions is Congress in the dark on such matters.

Senator MUSKIE. What you are saying is that this should be an arm's length relationship?

Mr. BELL. No, sir; I do not think it ought to be characterized that way. I take it that the President's business normally is to persuade Congress of a point of view, whether he is asking for an appropriation under the budget or whether he is asking for a piece of legislation.

If he is to persuade successfully he obviously has to make plain the arguments on his side of the issue and meet the arguments which may be made on the other side. Any sensible presentation which is persuasive will put before the Congress the pros and the cons and indicate why the President comes to the conclusion he does.

This, it seems to me, is not necessarily, in fact not appropriately, defined as an arm's length relationship.

Senator MUSKIE. I think you have stated your view on this very well, Mr. Bell. I do not necessarily disagree with it.

I must say as Governor it used to be disconcerting to me when department heads advocated to legislative committees points of view which I had rejected in my own deliberations. So I am kind of more on your side than against you. I did want to probe and get it on the record.

Mr. BELL. I think there is a very real issue here as to whether in fact there is any significant danger to national policymaking that lurks in this area we have been talking about.

Personally, I am persuaded, after seeing the matter quite closely during Mr. Truman's term, and again now, I have yet to see a case in which it seemed to me there was any significant problem here that was not adequately met under the system that we have.

I entirely accept the fact that occasionally it takes a resignation, as it did in Gen. Maxwell Taylor's case, in order to make plain how severe and how serious the issue was.

Senator MUSKIE. Of course you can also point out that the argument eventually was won.

Mr. BELL. In this case, yes.

Senator MUSKIE. I have two specific questions the answers to which I think ought to be on the record. As you may know, this subcommittee recommended in its last report that the administration should now consider the desirability of creating an Office of Science and Technology within the Executive Office of the President. I wondered if you have any comment on that recommendation?

Mr. BELL. We are taking it very seriously, Senator, and it is under study now.

Senator MUSKIE. I have one other question. The Bureau's special relation to the President is symbolized by the fact that the Director is not subject to Senate confirmation. How many officers of the Bureau were you able to appoint? Should the Director have a freer hand in making appointments and should more of the top professionals have a raise in pay ceilings?

Mr. BELL. There are five jobs now in the Budget Bureau. There were only two under Mr. Truman, three have been added.

The Director and the Deputy Director are Presidential appointments and change with the change in administration. Under President Eisenhower the three positions of Assistant Director were established to which men are appointed by the Director. They are schedule C jobs. Therefore the Director and Deputy Director and three Assistant Directors do change with a change in administrations.

Apart from these positions, the Bureau is entirely made up of civil service employees who have the normal protections of status and all the rest of it. I have not found this any handicap in taking charge of the Bureau. As an old Bureau staff member, myself, I may possibly be under some illusions about the competence of the staff, but it has always seemed to me, when I was on that staff, myself, and now, to be an exceptionally capable group of people who have a very high professional standard and who are fully able to perform their duties in response to the political and policy judgments of the President.

Again, of course, a civil servant obviously must have a limit. If he so thoroughly disagrees with the judgments of his superiors he may have to resign. The work of the Budget Bureau does not normally lead to any such sharp issues of conscience.

We are a technical body and we spend our time typically making critical analyses and technical judgments on budgetary issues as we have time for and staff for.

The staff does not normally participate extensively in consideration of policy issues which have a significant political coloration and, therefore, the staff work is normally of such a nature that it can be conducted without involving any consideration down the line in the staff of political questions.

The five jobs at the top of the organization seem to me adequate to recognize the differences among the parties and the political considerations that are relevant to budgetary issues.

With respect to pay, yes, we do need more high-salaried jobs to attract and particularly to hold the caliber of men we need in the top civil service jobs.

Does that meet all those questions?

Senator MUSKIE. I have another few questions to ask but I have taken considerable time.

Mr. BELL. I might just add one thing, Senator, before leaving this.

The Bureau's staff is not a body of men that stays there forever. In fact, the Bureau has traditionally been, and I am glad to say, continues to be, a training ground. Of the people who come into the Bureau, I would suppose that the great bulk by far stay there for some time, a few years perhaps, and then go on to work elsewhere in the Government. This happens at all levels. For example, under the new administration, two of the senior division chiefs have gone on to become Assistant Secretaries, one of the Army and one of the Defense Depart-

ment. They are Tom Morris and Bill Schaub. These were senior civil servants who were recognized as so capable that they were taken on at the political level in the Defense Department.

At the middle level we have lost a half dozen very able men to various agencies around town, the Space Agency, the Post Office, Commerce Department, the Housing Agency. They have gone into programing and planning and budgeting jobs because they were recognized as very able people.

Consequently, there is a considerable turnover in the Budget Bureau and, naturally, in making replacements and promotions and so on I have the opportunity to make choices among staff men within the limits that are set by the system. Now this does not mean that I am making political judgments. I do not make such judgments on the basis of the candidates' political background. In fact, I do not even know the political background of anybody in the Bureau except for the top five jobs. But it does mean that there is a considerable reshaping of staff going on at all times and, insofar as there is a difference in the point of view on the technical side, for example, the notions of long-range budgeting I was speaking about here earlier this morning, the people coming up the line in the Bureau will have an interest in this sort of thing and a competence for it. In that sense the character of the Bureau will gradually change to reflect the attitudes of different Directors over time. But this is a process that obviously takes place in any organization.

Senator MUSKIE. These people that move to other agencies are able to adjust psychologically from the habit of saying "No" to the habit of advocacy?

Mr. BELL. I would hate to have the impression on the loose that the Budget Bureau is a place that only says "No." We are concerned with the best solution to governmental problems—financial problems—and we spend a good deal of our time trying to persuade people to do things, saying "Yes" as well as "No."

Senator MUSKIE. I wanted you to make that statement. Thank you.

Senator JACKSON. Senator Javits.

Senator JAVITS. I have just one question I would like to ask. It is late.

Mr. Bell, I am very glad to see you. What do you think about the proposition that there might conceivably be an annual review with the Joint Economic Committee on the budget as there is an annual review on the President's economic message which comes essentially from his economic advisers, with a view toward giving the Congress at that stage, very early in the session, the whole panoply of judgments and choices which went into the budget in totality.

I find myself, and I know other Senators do, that you sit there and you vote "aye" or "nay" on some proposition and it is almost impossible to relate it to the totality of value judgments which went into the budget as a whole.

Sometimes it can be a very big figure. Sometimes it is small and it does not matter because there is some modest margin for error either way.

What do you think about that?

Mr. BELL. It is not a matter that I have considered at any length, Senator. I take it that it has been customary for the Budget Director to appear before the Joint Economic Committee as I appeared this

spring, not for a full-scale review of the budget but for a fairly thorough discussion of the budget totals and the major elements in it, as well as the relationship between the budget and the economic outlook.

As I mentioned in response to an earlier question, I think before you came in, I understand that there has been, in recent years, although I have not yet been through it, a procedure under which the entire House Appropriations Committee hears the Budget Director and the Secretary of the Treasury for 2 or 3 days in the kind of overall presentation of the budget which I think you probably have in mind.

I would agree that such a presentation would be very valuable one place or another or maybe more than one place for that matter. Which committee it should be I would not have any idea.

Senator JAVITS. It would hardly be your choice as to which was best.

Do you have any views on Mr. Stans' expressed opinion that planning for 5 years ahead is very sound, but not budgeting?

Mr. BELL. I believe the only difference between us is a semantic one. I noticed his comment to that effect. I suspect that what I am talking about he would agree with, namely that we should be aware at all times of where our commitments and our ideas and our proposals and our policies will take us over the next several years in a budgetary sense as well as in a physical or substantive sense.

This is a different thing from saying that we would now present to the Congress a 5-year budget and ask them to enact it into law and vote the appropriations. That is not involved in my notions of what is correct at this stage of events. Therefore I believe Mr. Stans and I probably agree in substance although we might describe our agreement in somewhat different words.

Senator JAVITS. Now I notice you rather like this idea that Mr. Hitch testified to, of budgeting—I am trying to find the exact words—

Mr. BELL. Program packages?

Senator JAVITS. Program packages, yes.

Now, do you find the same feeling in terms of the need to modernize in dealing with the capital costs of Government and the investments of Government, so-called revolving-fund ideas for business especially, or the capital-investment aspects which, in many cases, produce income? Do you feel any need in terms of what we are considering as the national policy machinery for revising our judgment by which we treat everything as an appropriation whether it adds assets, even paying assets, productive assets, or whether it is a revolving fund that comes on back, whatever the various financial connotations may be?

Mr. BELL. I feel very strongly that we need to be more aware in many respects of what we are doing through the budget process. To think of the budget as a monolithic set of appropriations is, of course, quite erroneous.

We are doing all kinds of things when we consider the budget. There are appropriations in it for current outlays. There are appropriations which will result in investment and there are appropriations which will replenish or expand revolving funds. It is not only illuminating, not only rewarding to our curiosity, it is important to our decision making that we understand what the various aspects of the budget really represent.

To this extent I am sure we would be in full accord and we are now working on a revision of the conceptions of investment and capital which are appropriate to the Federal Government. As you undoubtedly know, there is now published, each year, a special analysis in connection with the budget which attempts to put together in one place the various capital outlays which appear in the budget in other forms or in forms that are not clearly identified.

I am not sure what is going to come out of our review. I think we can surely improve the clarity with which we present the different aspects of capital investment which are represented in the budget today. Whether we should go on and try to work out some form of capital budget in the British sense is a different question. I have no opinion on that as yet.

Senator JAVITS. Thank you very much.

Senator JACKSON. Mr. Bell, the present budget, which I have here, is rather sizable. What I wanted to ask you is if you have any suggestions as to how we could make this, shall we say, more readable, more understandable, more of a portrayal of what we are trying to do at home and abroad than we have been doing in the past? Can it be more intelligible and more understandable? This is a big order and I am not asking for immediate reformation of the problem.

Mr. BELL. This is a problem very much on our mind. In addition to the large, fat volume you held up, there is this small, thin pamphlet version which has been put out over the years, called "The Federal Budget in Brief."

Neither form is sufficient. The large form, in my opinion, could stand major revision and improvement. We have some ideas along these lines which are now close to being in a form which we will want to discuss with the appropriate committees of the Congress. If they concur, we may very well want to make some significant changes.

The direction of our changes would be to endeavor to make the budget document clearer, simpler, briefer, shorter, more readable, more manageable, and of greater benefit to the Members of Congress and to others who must work with it.

At the same time as you will recognize, much of the form of the budget has been determined by past actions of the Congress and they have indicated very clearly, the committees that are concerned—certain requirements which they want us to follow.

Senator JACKSON. They indicate to you how they would like to have it presented.

Mr. BELL. Exactly. A great portion of the detail that is now in the budget is there because the committees want it there. I am not arguing about this. They surely know what it is they want.

Senator JACKSON. But sometimes we do not realize what we are doing to ourselves and to the other people who have to try to read and understand it.

Mr. BELL. So what we are trying to do is to devise improvements which will at the same time meet the requirements of the congressional committees concerned and the Members of Congress, to meet them better, to meet them more effectively, and simultaneously permit us to provide a simpler and more readable and more effective presentation of the Federal budget.

Senator JACKSON. Actually, considering the number of pages in here it is about \$80 million a page.

Mr. BELL. About a thousand pages, that is right.

Senator JACKSON. Well, I think this is certainly commendable for you to undertake this kind of job. I do not envy you. It will certainly be tremendously helpful to those of us who are not specialists in trying to get a more understandable budget.

One last question, Mr. Bell. We have been discussing this morning the relationship of the role of the Bureau of the Budget in the national security process. In the last analysis this gets down to people.

I wonder if you have any comments as to what we might do or could do to get better people in government. I am sure you agree that one of the real deficiencies that we face in many areas is our inability to encourage, obtain, and keep the type of talent that we need to have in wrestling with the enormous problems that we face.

Do you have any general thoughts in this area? First, as to salaries in the executive branch?

Mr. BELL. This is not a question I had expected. I have no prepared comments on it.

I think, the most effective means of getting good people is to have good leadership, to look for people who are competent and to give them responsibility.

I think President Kennedy has had good luck in getting able people into the administration because there is clearly a job for them to do. He wants to put them in positions of responsibility. He gives them challenges, and a challenge is, I am sure, the No. 1 consideration in getting first class people to come into Government.

However, I see no reason why they should have to come in at great financial sacrifice and many of them have had to do that. I think the matter of executive pay is a very serious matter. I think there is no doubt that it is a matter that needs to be considered. Whether the Congress will be willing to consider it in the near future or not, I cannot say.

It seems unfortunate that we pay our Cabinet officers a good deal less than the vice presidents of second level corporations. This does not seem really to reflect any adequate recognition of the relative importance of the activities involved. Yet at the same time I should think it is quite clear that Government salaries at the upper levels will never be fully competitive with those in private life in many lines.

So it is not a simple matter to decide on the appropriate scales. I think there is no doubt that at the present time the Government is having the greatest hiring difficulty in the ranges just below the top executives.

As I have indicated, Cabinet officers may well come into Government because of the challenge of the job. Good men at the number two, three, four level in the departments may be willing to hold them for a while, either having worked up from below or having come into Government from the outside, but these are typically men with family responsibilities and they cannot stay at those levels indefinitely. We are having great difficulty getting and holding top-flight scientists. As you well know, this is one of the reasons why there has been such a proliferation of these nonprofit corporations which do scientific jobs or other technical jobs for Government, and can pay salaries that are higher than those of the Classification Act in the Federal Government.

We find this true not only of scientists and engineers and technicians, but also lawyers. The Department of Justice is now asking the Congress to take all of its lawyers out from under the Classification Act.

The Congress has been making exceptions in recent years, numerous exceptions. There are hundreds of jobs now which are exempted from the Classification Act deliberately because the Congress has recognized that the regular pay scale is too low. To get the kind of people the Federal Government needs to carry out its work requires permission to pay more salaries.

I understand that in recent action the Senate Appropriations Subcommittee dealing with the National Institutes of Health and the Public Health Service has put a special provision in the bill authorizing the Public Health Service to pay up to \$25,000 for doctors and medical scientists. This is the same pay as a Cabinet officer.

The committee did it, obviously, because they felt the Public Health Service had to be able to pay this much in order to attract and hold the medical technicians that it needed, in special cases obviously, in rare cases, but nevertheless, in some.

These are all evidence, it seems to me, that the pay scale of the Federal Government is in fact in need of significant overhaul, but I repeat that I am not at all sure when the Congress will be willing to give it an appropriate reconsideration.

Senator JACKSON. At least the administration is in a position to make recommendations when called upon to do so.

Mr. BELL. We are studying the matter very intensively, yes, sir.

Senator JACKSON. Mr. Roger Jones had estimated in testimony before our committee a year ago that \$20 million would be about the cost to get the adjustment in the executive salary structure in a way that would be quite helpful. Actually the amount of money involved is rather small in comparison with the total budget.

Mr. BELL. Mr. Chairman, I think it depends on how much of a reform you want to make. My own opinion is that we need a larger reform than that, a more significant reform which would have a larger cost. If you want to revise the Classification Act to any substantial extent, especially in the upper levels, not simply the top supergrades but down to the grades 12, 13, and so on, then you begin to affect quite a large number of persons and it runs into quite a lot of money.

If you are thinking only in terms of the people under the Executive Pay Act, that is the top Federal executives, then whatever is done the bill would not be very big. If you double the salaries of the Cabinet officers, the total cost would be relatively small in terms of our national budget.

Senator JACKSON. Thank you very much, Mr. Bell. We are most grateful to you for your fine presentation this morning.

We will now, in accordance with the rules of the committee adjourn for an executive session to take testimony concerning the National Security Council.

On Monday morning at 10 o'clock the Secretary of Defense, Mr. McNamara, will be our witness.

(Whereupon, at 12:45 p.m., the subcommittee proceeded in executive session.)

(NOTE.—Mr. Bell's executive session testimony appears in volume IX of the hearings.)

HEARINGS
OF THE
SUBCOMMITTEE ON
NATIONAL POLICE MATTERS
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SEVENTH CONGRESS
FIRST SESSION

HEARD AT WASHINGTON, D. C., NOVEMBER 12, 1960

PART IX

Testimony of the Honorable J. Edgar Hoover, Director, Federal Bureau of Investigation



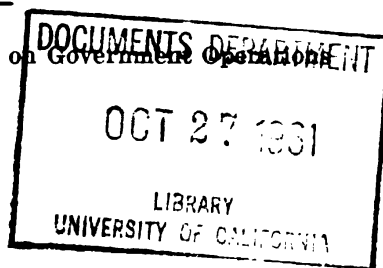
ORGANIZING FOR NATIONAL SECURITY
STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY . . .
OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
EIGHTY-SEVENTH CONGRESS
FIRST SESSION

AUGUST 1, 7, 17, AND 24, 1961

PART IX

Printed for the use of the Committee on Government Operations



COMMITTEE ON GOVERNMENT OPERATIONS

JOHN L. McCLELLAN, Arkansas, *Chairman*

HENRY M. JACKSON, Washington

KARL E. MUNDT, South Dakota

SAM J. ERVIN, Jr., North Carolina

CARL T. CURTIS, Nebraska

HUBERT H. HUMPHREY, Minnesota

JACOB K. JAVITS, New York

ERNEST GRUENING, Alaska

EDMUND S. MUSKIE, Maine

WALTER L. REYNOLDS, *Chief Clerk and Staff Director*

SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

HENRY M. JACKSON, Washington, *Chairman*

HUBERT H. HUMPHREY, Minnesota

KARL E. MUNDT, South Dakota

EDMUND S. MUSKIE, Maine

JACOB K. JAVITS, New York

J. K. MANSFIELD, *Staff Director*

ROBERT W. TUFTS, *Chief Consultant*

DOROTHY FOSDICK, *Professional Staff Member*

BREWSTER C. DENNY, *Professional Staff Member*

RODERICK F. KREGER, *Minority Counsel*

CONTENTS

AUGUST 1, 1961

	Page
Executive session testimony of David E. Bell.....	1173

(NOTE.—Mr. Bell's open session testimony appears in part VIII, pp. 1133-1171.)

AUGUST 7, 1961

Opening statement, Senator Henry M. Jackson.....	1183
Testimony of Robert S. McNamara, Secretary of Defense.....	1184
Executive session testimony of Secretary McNamara.....	1215

AUGUST 17, 1961

Opening statement, Senator Henry M. Jackson.....	1229
Testimony of Don K. Price, Jr.....	1230

AUGUST 24, 1961

Opening statement, Senator Henry M. Jackson.....	1279
Testimony of Dean Rusk, Secretary of State.....	1280
Executive session testimony of Secretary Rusk.....	1323

COMMUNICATION RECEIVED SEPTEMBER 4, 1961

Exchange of letters concerning the National Security Council between Senator Henry M. Jackson and Mr. McGeorge Bundy, Special Assistant to the President for National Security Affairs.....	1335-1338
---	-----------

STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

TUESDAY, AUGUST 1, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 12:45 p.m., in room 3300, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Staff members present: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, minority counsel.

Also present: Richard L. Roth, staff assistant to the Director, Bureau of the Budget.

Senator JACKSON. The committee will now resume in executive session to take testimony on the National Security Council.

Mr. Bell, could you explain, in broad terms, the basic philosophy of the new administration in its use of the NSC and other interdepartmental coordinating mechanisms?

Mr. BELL. I will be glad to do so. I think there are probably two major points that could usefully be made.

First, the President is using the National Security Council as I believe it was intended to be used under the statute, namely as an advisory body for him as he confronts the major questions of national security. He meets with it frequently and the discussions have included those major matters which are the principal concern of the President in the field of foreign and military policy at the present time.

The second point, which represents a considerable change, as I understand it, from recent years, is that the President is deemphasizing the device of the interdepartmental committee.

President Kennedy instead is using a system under which he places responsibility on a Cabinet officer, or a top subordinate in a Cabinet department, for preparing an analysis or coming up with recommendations on a given issue or subject.

This Cabinet officer or top subordinate is expected, himself, to arrange for whatever coordination is needed in order to obtain the views of other departments concerned and to make sure that the matter which is to come before the President and the National Security Council has been considered by others in the Government who ought to consider it.

The person on whom the President has placed responsibility, however, is not supposed to come forward with a combined report that is finished and all the President has to do is stamp it "yes."

Quite the contrary, the person on whom the President has placed responsibility, a Cabinet officer most frequently, is expected to bring before the President his own conclusions, his own analysis, his own recommendations for action.

It may well be that other departments differ strongly. The President expects that this will be the case, and expects the issues to be argued before him and with him. He participates very vigorously in such discussions in Security Council meetings, or in such other meetings as may be convenient to him, at Hyannis Port or wherever it may be. This, I think, is a striking attribute of the present system.

I understand that it is somewhat different from what happened in recent years, although, of course, I am not personally familiar with that period.

Senator JACKSON. This administration has abolished the Operations Coordinating Board?

Mr. BELL. That is right.

Senator JACKSON. Insofar as you are concerned, do you feel a satisfactory substitute for policy follow-through has been created?

Mr. BELL. First of all, I am not at all sure that the Operations Coordinating Board was a satisfactory method for following through on decisions.

If you ask the question in a little different form, if you ask whether I am satisfied that this administration has a satisfactory system for following through on Presidential decisions, I would say we have a basic understanding of how it is supposed to be done. I certainly would not claim that in every case it is being done as effectively as it should be.

The essential pattern for execution, again, rests on a system of direct responsibility on the Cabinet secretaries, or in some cases the responsibility is given to an assistant secretary, particularly the geographical assistant secretaries of the State Department.

Those officers and the staffs that work with them, are expected to be in a real sense the significant centers, both for policymaking and for following through on Presidential action, for making sure that the different parts of a Presidential decision that affect a given area or country, are appropriately pursued, that the things that are supposed to happen in fact do happen, and that they happen in correct relationship to each other.

The Office of the Assistant Secretary of State for a geographic area has really been upgraded very substantially in the minds of everyone in this administration. They are frequently the key people on whom responsibility is placed for pushing ahead with a given set of decisions.

If there is any one place that the functions that were supposed to be carried out by the Operations Coordinating Board have come to rest, it is in these geographic assistant secretaries.

However, there are of course many decisions with which those officers are not particularly concerned. For example, in the case of decisions that affect primarily the U.S. Information Agency, or the

Department of Defense, the essential responsibility has gone to the Cabinet head, or the agency head in Mr. Murrow's case.

The staff of the Special Assistant to the President for National Security Affairs, Mr. Bundy, performs a secretariat function in that it keeps up with actions taken under the President's decisions.

They are not responsible for seeing that the action takes place. They are responsible for knowing whether it has taken place and for reporting it to the President. They keep a score sheet, but they are not the responsible action organization.

Senator JACKSON. In other words, in general, in lieu of the Operations Coordinating Board, you are relying on the traditional departments or agencies?

Mr. BELL. That is right.

Senator JACKSON. And you have in some cases action officers if you want to put it that way?

Mr. BELL. Exactly.

Senator JACKSON. Who have the responsibility?

Mr. BELL. Yes, sir.

Senator JACKSON. So the followup work is being done in the way you have expressed it, utilizing for the most part the traditional departments of the Government.

Mr. BELL. That is right.

I want to emphasize though that none of us would claim that we are achieving perfection in these matters.

Senator JACKSON. This is a tremendous job in any event, no matter what kind of mechanism you use.

Mr. BELL. That is right.

Senator JACKSON. This administration has also abolished the NSC Planning Board. How do the departments and agencies work together in doing the kind of things that were performed by the old Planning Board?

Mr. BELL. Again, your question puts me a little at a loss because I don't know much about the old Planning Board. If I understand it correctly, it had at least two different metamorphoses.

At one point, it was regarded as a group of people who met together to make sure that appropriate planning was being carried out. It was not a planning board itself but a group of people who made sure that planning was being done in the places where it was supposed to be done.

Later on, I gather it was transformed gradually into a group that met virtually constantly and it was supposed to be doing the planning, putting papers up to the Council, and so on.

If I am correct in my understanding of the past, the present system is not unlike the former idea. It is very unlike the later idea.

There is now no group of people designated as a planning board. The planning for different problems is done either through the normal processes, as when the Secretary of Defense is asked by the President to prepare plans for alternative contingencies in a given situation, and the planning machinery of the Department of Defense is available and is used and the appropriate coordination is achieved with the State Department and other people who are involved.

In other cases it has been appropriate as in the case, say, of a particular country, when the President wanted a complete review of what

the United States is doing in relation to that country, he may establish through the National Security Council a special task force, normally with the Assistant Secretary of State for the geographical area as the Chairman, to come forward with an analysis and a plan as to what the United States should be doing, with all aspects covered—information, military, economic, political, and so on.

Under these circumstances there will be a special planning effort on a one-time basis with people participating from the different agencies, and the product of this task force will be reviewed at the top level of each of the departments concerned and it will come before the President and be debated and he will decide what he wants done about it.

What I am saying is that this administration has used the regular planning machinery of the different departments and also has used special ad hoc task forces.

There is an effort on the part of the Special Assistant to the President for National Security Affairs, Mr. Bundy, and people with whom he works regularly in the different departments, to make sure that the planning machinery of government is looking ahead to the different problems that are going to be coming up and is working on the problems, not only those that are in our laps as immediate crises, but those we can see ahead down the road.

In that sense there is an organized attempt under Mr. Bundy's leadership, now with General Taylor participating, of course, to make sure we are looking ahead and making appropriate plans for problems that are going to confront us.

This is the way I understand the situation at the present time.

Senator JACKSON. I want to direct a question to how the NSC operates. Do you think the NSC as it now operates brings policy alternatives before the President in such a way that the sharp differences are adequately given to him, and is there sufficient staffing to back up the policy alternatives that are presented?

Mr. BELL. Obviously, you don't want me to get into the substance of particular cases. It is appropriate, I think, and proper to say that there have been differences in the quality of the product in some instances from other instances.

In some cases the system has worked exactly as it should, namely, there has come to the President a very clear and definite analysis of the problem, and an outline of a proposed policy which is specific, costed out, with all the elements included in a very nice presentation of a proposed position and a proposed series of actions.

This has been available to everybody concerned sufficiently in advance so that those who might differ with it have had a chance to think about it and formulate their points of view and the matter was in a position to come to the President and be debated crisply on real issues.

This is the way the system ought to work. There is no reason it can't work that way nearly every time. It is a little too much to ask of human institutions that they work every time.

There have been cases in which the system hasn't worked perfectly. Perhaps the fellow who was the task force chairman did not quite know what was expected of him. He may have come up with a bit of a least common denominator type of report, or it may have been a mat-

ter in which the timetable was very short and the people concerned did not really have a chance to get all the issues staffed out.

We have had a very brief experience. I think it is clear that the understanding of what the President wants, and how he wants the system to work, is becoming much more widespread.

Senator JACKSON. Are you getting clear-cut guidance to the departments in this NSC process that you are describing?

Mr. BELL. I am sure that they have not always felt this to be the case. I am sure it has not always been the case. Particularly in the early period, everyone had tied all his procedures to this machinery that was suddenly abandoned and nobody knew where to look next. So that I am sure there has been a considerable uncertainty in many parts of the Government.

As an observer from the Executive Office level, it now seems to me that the machinery permits the President's instructions to departments to be quite clear and definite and that in any case in which there is doubt, it is very simple to bring the matter up and get it clarified.

The system is flexible, simple, and can be very fast moving.

Senator JACKSON. It is very important under this approach, I would think, to make sure that all these decisions are in writing so that the departments and those responsible know what their duties are.

Mr. BELL. This, as has been the case in the past, is a responsibility that rests on Mr. Bundy, the special assistant for national security affairs.

Senator JACKSON. And there is a follow through?

Mr. BELL. Yes.

Senator JACKSON. So that those responsible understand, first of all, in writing what they are supposed to do. Mr. Bundy monitors more or less and reports to the President, I take it, what is going on so that he will know what the story is.

Mr. BELL. That is right.

Senator JACKSON. How is the budgetary process related to the NSC? At what point do you enter the picture?

In other words, you have these price tags on a lot of these things. I think Mr. Stans referred to them yesterday as the financial appendixes.

Mr. BELL. Yes. The present system does not necessarily involve a financial appendix. The financial substance may appear in the body of the document.

It depends on the subject, but the essential point is that the cost of doing the things that are proposed to be done is expected to be a part of the presentation of the issue, part of the consideration of the merits of the issue, so that at every stage the benefits and costs are supposed to be and are typically included in the staff work that precedes the President's consideration.

Now, the Budget Bureau, as an institution, does not have to participate in every stage of every piece of staff work. However, the relationships that we have worked out with Mr. Bundy's office are so close that we have participated in every case in which we wanted to participate.

We have been in a position to make sure that the financial aspects, the budgetary aspects, were included and not just rely on the system to make sure of it.

Senator JACKSON. I would think, in view of the present method of using the NSC, that the President would want to place major reliance on the budgetary process for monitoring and coordinating various matters that have to be decided.

Mr. BELL. I think this is correct in the sense that he is using the Budget Bureau as a general staff support agency, much as Mr. Truman used to do. I don't know to what extent this was done under President Eisenhower. I think this President, like Mr. Truman, whom I knew—I don't know about Mr. Eisenhower—wants to be sure that the budgetary consideration does not, of itself, determine the answer to a given problem. In other words, I don't want to give the impression that cost considerations settle issues by themselves.

What I have tried to say is that cost and budget considerations have been appropriately integrated into the procedure and that the President and everybody else who considers a given policy decision is aware of what the alternative actions would cost and also can be aware of the alternative benefits that might be expected from whichever action was chosen.

Senator JACKSON. Are the NSC meetings limited to those directly involved in a matter in order to encourage completely frank and open discussion?

Mr. BELL. The NSC meetings vary greatly in the number of persons who are involved.

Senator JACKSON. But when it is larger it is due to the necessity of the situation?

Mr. BELL. That is right. The President, in other words, varies the attendance list, depending on who ought to be there to have an appropriate discussion or to hear the President's judgment and decisions.

When it is a matter of exceptional security classification the President will hold the session quite small, that is quite small for an NSC meeting. You can't get an NSC meeting with much under a dozen people because of the statutory requirements and the President's desires about those whom he wants to be there from his own staff.

Senator JACKSON. You are speaking of a formal NSC meeting. As the President uses the NSC process——

Mr. BELL. He holds many, many meetings——

Senator JACKSON. Of the subordinate groups within the NSC structure?

Mr. BELL. That is right. You could call them subcommittee meetings if you wish.

Senator JACKSON. Right. Is a task force expected to produce a paper making specific recommendations in order to help achieve precise discussion and decision?

Mr. BELL. Yes, sir.

Senator JACKSON. They are held to that?

Mr. BELL. Yes, sir; they are held to that.

The President and those who work with him, are very impatient if a paper comes up with the pros and cons neatly labeled, but with no recommendation, no conclusions, nothing to chew on.

Senator JACKSON. You have covered in general the steps you are taking to see that the President receives sharply defined statements of alternatives, rather than interdepartmentally compromised gen-

eralities. As I understand it, you are trying to make sure that the President gets sharp alternatives and that the departments' views are clearly expressed.

One of the great reforms Winston Churchill introduced into the Committee for Imperial Defense was to require that all decisions be put in writing. From what you have said it is my understanding this is being done and that it is primarily Mr. Bundy's responsibility.

Mr. BELL. That is right.

Senator JACKSON. To see to it that that is accomplished?

Mr. BELL. That is right.

Senator JACKSON. Testifying before the subcommittee last year, Mr. Robert Lovett said:

The authority of the individual executive must be restored.

You have alluded to this in your earlier remarks. First, do you believe the authority of the individual executive is now being restored and, second, what steps are being taken specifically in the NSC process to assure this?

Mr. BELL. As I have indicated, I think this is an underlying element in the President's administrative philosophy in which he has exactly the point of view that Mr. Lovett expressed last year.

Senator JACKSON. Mr. Lovett spoke about—

* * * the derogation of the authority of the individual in government, and the exaltation of the anonymous mass.

You feel quite strongly that under present procedures the individual is being emphasized and being held responsible?

Mr. BELL. I think this is very characteristic of this President. I can testify to it from my personal experience.

Senator JACKSON. What do you think are the most important as yet not satisfactorily solved problems in the present mode of operating the NSC? In other words, what are some of the areas where, shall we say, you need to bear down a bit? I assume you will always have that kind of problem, but in what areas do you feel you can make some adjustments and changes that would be helpful?

Mr. BELL. If you will permit me to speak broadly I would think that none of us would be satisfied with the basic system for appreciating, analyzing and proposing solutions to the biggest questions we face in the national security area. These are problems that concern primarily the State and Defense Departments. I alluded to that in the testimony I gave this morning.

It is an enormous task to infuse the State Department with the ability and the attitude to do the kind of imaginative, accurate, sizing up of the situation and preparing of recommendations which is needed. This is something Secretary Rusk understands very well and is working very hard to achieve.

It is a matter of leadership, and being sure that everybody understands exactly what is expected of him. It is a matter to some extent of restaffing, a matter to some extent of organization, of the relative roles of the office of policy planning, the Office of the Deputy Under Secretary for Political Affairs, the offices of the different geographical regional Assistant Secretaries, the Office of the Under Secretary for Economic Affairs—the responsibility that each of these pieces of the Department has for contributing to the product of national policy.

All this is being worked on to improve the State Department's capacity to contribute to national security policymaking.

Similarly there is much work underway to improve the policy-making capability of the Defense Department.

So far as the National Security Council is concerned, I think it has been evolving as time has gone by, and people have been finding out what kind of papers make the best discussion papers for this President and this NSC.

I think the most impressive aspects to me of the system under the new administration are, first of all, the attitude the President has toward assigning individual responsibility; and, second, the degree to which there is building up a kind of intellectual interchange among departments, with the White House, and with the Executive Office staffs which makes for understanding, quick communications, assurance that all sides of an issue are looked at, and so on.

Senator JACKSON. Is this especially true, too, between State and Defense? Do you gather that their relationship is becoming closer in dealing with problems?

Mr. BELL. Yes, sir. There is a long way to go on that, but both Mr. McNamara and Mr. Rusk are keen on improving it; so are Gilpatric and Bowles and others. There is now a system for assigning officers back and forth on an experimental basis—

Senator JACKSON. That step is being taken.

Mr. BELL. That is right. The first officers have been assigned.

Senator JACKSON. The public, Mr. Bell, gets the idea sometimes that the National Security Council is an agency separate and apart from the departments. Actually, in one sense, we have always had a National Security Council in our Government. From the founding of the Republic, we had the War Department and we had the Department of State.

The present National Security Council is pretty much a codification of our World War II experience. We have brought together the key national security-making departments and have worked out a system which each President can adapt to help him get the information he needs to make the hard, tough decisions in the area of national security.

In all of this, it seems to us on the committee that the Secretary of State has a primary role. We believe very strongly in the primacy of the Secretary of State in advising the President on the full range of national security problems. In other words, he is sort of the orchestra leader.

I just wondered what your approach or philosophy is in that regard.

Mr. BELL. The same as yours, sir, the same as that of the committee, and I think that is the same way the President feels, the same way I know Mr. Bundy feels.

We all look to the Secretary of State, just as you say, as the leader in the development of national security policy in its broad sense.

I think this President has given evidence, by the actions I have described, eliminating the OCB, and changing the reliance on interdepartmental committees, that he wants to give to the Secretary of State this responsibility.

I think that this places a tremendous burden on the Department of State, and gives it a role it has not had for years. It requires reforms to be undertaken in internal management, personnel staffing, and so on, which the department is in the process of making.

Senator JACKSON. I think the conclusions that we arrived at can be stated rather simply—to utilize and to strengthen the traditional Departments.

There is a tendency on the part of all of us to look for some new superdepartment or board to solve our difficulties, especially if we are frustrated and we do not have an immediate solution.

Mr. BELL. That is right.

Senator JACKSON. If you do that, you run into the danger, of course, of just compounding the difficulties. When the new department cannot solve the problem you create another one and so you go on and on and on, and you cannot abolish them as fast as you create them.

Mr. BELL. There is a problem that Mr. Lovett referred to last year in your hearing that is far from solved in this respect, and that is how to enable the Secretary of State to carry out this role in view of the enormous burden on him for negotiations.

As long as foreign secretaries in other countries regard it as demeaning if they have to deal with anybody but the Secretary of State this really, taken literally, would present a situation that no one man could handle.

Obviously, he handles it, any Secretary handles it, only by skimping on something. You would hope, and I would agree, that he would handle it by skimping on the negotiating and by placing heavy emphasis on the policymaking, which is very difficult to do.

Senator JACKSON. It is quite clear from this approach to the development and execution of national security policy that the Department of State needs all the support it can get. It needs all the assistance that it can properly obtain to do the job that goes with primacy in national security affairs.

Mr. BELL. That is right.

Senator JACKSON. Does anyone have any further questions? This has been very helpful.

We will stand adjourned at this time.

(Thereupon, at 1:25 p.m., the subcommittee was adjourned to reconvene at 10 a.m., Monday, August 7, 1961.)

STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

MONDAY, AUGUST 7, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room 3302, New Senate Office Building. Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Mundt.

Present also: Senators Stennis and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, minority counsel.

Senator JACKSON. The subcommittee will please come to order.

The subcommittee continues today its windup hearings in its non-partisan study of how our Government can best staff and organize itself to plan and manage national security policy.

This final phase of our hearings is focused on the central issues of organization for national security.

We will take testimony in particular on the problems of policy-making and policy execution by the Departments of Defense and State, and upon the role of the National Security Council.

We are pleased today to welcome the Secretary of Defense, Mr. Robert McNamara.

Mr. McNamara comes to his high post in the Government from a distinguished business career. From 1940 to 1943 he was assistant professor of business administration at Harvard University. During World War II, from 1943 to 1946, he served as a lieutenant colonel in the U.S. Army Air Corps.

Mr. McNamara was associated continuously with the Ford Motor Co. from 1946 to 1961, first as comptroller, then assistant general manager of the Ford Division; vice president and general manager of the Ford Division; group president of the car division, as company director, and, finally, as company president.

Mr. Secretary, we are happy to have you with us today. Following this public hearing, as you know, we plan to adjourn into executive session to take testimony on the National Security Council.

You may proceed now in your own way.

**STATEMENT OF HON. ROBERT S. McNAMARA, SECRETARY OF
DEFENSE**

Secretary McNAMARA. Thank you very much, Mr. Chairman.

It is indeed a pleasure to have been given this opportunity to appear before your committee to discuss various aspects of national security policy machinery.

Your committee is making a major contribution to national security. I was aware of the committee's work prior to being appointed Secretary of Defense. Since assuming office, I have asked several of my assistants to consider the deliberations and findings of the committee in their research on Defense Department management and organizational problems and their relationship to other governmental agencies.

Through the candid testimony of the witnesses whom you have invited to appear, and through the findings contained in your committee reports, an unusual collection of invaluable material on national security policy machinery is being assembled.

Members of the executive and legislative branches of our Government, students of the political process, and a great number of public-spirited citizens, are being provided a reservoir of information to assist them in their studies on governmental administration.

As a result, a more complete understanding is being provided of various alternative procedures and organizations which may be used to meet the challenges which face our National Government.

In my opinion, however, it is extremely important to keep in mind that national policy machinery is not an end in itself, but, rather, a means to an end.

National policies, in the last analysis, must be determined by the Congress and the President acting together.

Under our system of Government, it is the President who has the ultimate authority in the executive branch. He occupies the pivotal position in the Government and has a direct responsibility to the entire electorate.

As your committee has underscored in its reports, each President must determine for himself how he can best use the policy machinery of Government.

Of course, the top machinery of Government is closely tied to the manner in which the President works with his Cabinet officers and his other agency heads.

In the planning and management of national security policy, two executive departments are predominant, the Department of State, and the Department of Defense.

Your committee has referred to this as "the central partnership" in national policy machinery. I agree entirely with your evaluation.

There are few great issues of military policy and overall military posture which are not inextricably wed to the responsibilities of the Secretary of State in the field of foreign policy. And I am confident that the Secretary of State, Mr. Rusk, when he appears before you later this month, will assure you that the converse is essentially true.

It is for this reason that I believe the Secretary of State and I have a mutual responsibility to insure our partnership is effective, harmonious, and completely responsive to the overall requirements of the President and to his personal direction.

For my part, I consider that the personal and official relationships between myself and the Secretary of State are of the highest order. But this relationship must, and does, extend deeply into our two departments.

Among the regular points of contact between the two departments are weekly meetings at the Executive Office of the President, which are attended by, among others, the Under Secretary of State or his deputy, and the Deputy Secretary of Defense.

Many of the matters taken up at these meetings are of mutual concern to State and Defense, and these sessions are helpful in keeping officials of the two departments in close touch.

When specific national security problems arise, they are often assigned for study and recommendation to interdepartmental task forces. The Defense Department is, without exception, represented.

There are frequent meetings in the Pentagon between the Joint Chiefs of Staff and representatives of the Department of State, at which topics on an agenda suggested by both departments are considered.

The Assistant Secretary of Defense for International Security Affairs attends these meetings.

The State Department is represented by the Deputy Under Secretary of State for Political Affairs.

However, these are the more formalized channels of communications. There are innumerable, less formalized, but no less important points of contact between State and Defense.

Informal contacts, which facilitate the exchange and sifting of ideas at working levels, take place on a continuous and day-to-day basis between opposite numbers in both departments.

For example, representatives of the Office of the Assistant Secretary of Defense for International Security Affairs, who are most concerned with those military matters involving foreign policy, work closely and harmoniously with their counterparts in the State Department. Regular meetings, which are also attended by representatives from other interested governmental agencies, are held to discuss matters of policy planning and operations coordination, such as those which were formerly dealt with by the National Security Council Planning Board and Operations Coordinating Board structure.

I must also bring you up to date on the State-Defense exchange program, in which your committee has expressed such a strong interest, and which was discussed with you last year by Secretaries Herter and Gates. It is now well underway.

A second group of exchange officers was welcomed by representatives of the two departments a few weeks ago.

Under this program, Foreign Service officers are detailed to politico-military offices in the Office of the Secretary of Defense, the service staffs, and the joint staff, and military officers and Defense civilians serve tours of duty in various offices of the State Department.

The exchange officers are not liaison officers or observers; they are full working staff members, or action officers, within the departments to which they are assigned.

The program currently consists of 11 officers from each department on loan to the other and, although it is still early for a definitive evaluation, the reactions to date of both the exchange officers and their "employers" have generally been enthusiastic.

In the professional training courses at the National War College, at the three military department war colleges, and at the Military Assistance Institute, emphasis is placed upon the interrelationships of the political, economic, and military facts in our security policies.

State Department personnel and representatives from other executive departments and agencies regularly attend the several war colleges. Similarly, military officers and Department of Defense civilians are attending various courses offered by the Department of State's Foreign Service Institute.

On balance, in my opinion, Mr. Rusk and I, and our principal assistants, are working today toward the closest coordination and cooperation between the Department of Defense and the Department of State at all levels of decisional authority and staff action.

To be an effective partner in the State-Defense team, however, the Department of Defense must have its own house in order.

I should like to turn now to the measures which we are taking within the Department of Defense to make more effective our contributions to the national security policy process.

In your study of last November, your committee suggested a number of areas in which the Secretary of Defense could improve the operation of the Department. I agree wholeheartedly with your judgment that one must guard against seeking organizational solutions for problems which are not merely organizational in origin.

Your committee report suggested the possibility of "more vigorous employment of the broad authority already vested in the Secretary of Defense."

One change, which I believe will improve my ability to make sound decisions in matters affecting national policies, is the new planning-programming-budgeting process within Department of Defense that Assistant Secretary of Defense Hitch described to you in detail on July 24. Under this new process, the Secretary of Defense, for the first time, will have an integrated financial management system specifically oriented to the manner in which he is to make decisions, by program in relation to overall Department of Defense military missions.

I am fully aware that the National Security Act of 1947, as amended, has given the Secretary of Defense the ability to make substantial management improvements on his own authority.

Upon studying the scope of this authority, it came to my attention that there was no single office in the Department of Defense charged with the continuous responsibility of organizational and management planning for the Department of Defense, as a whole.

I learned that the work which had been done on broad administrative, organizational, and management problems of the Department had been generally accomplished on an ad hoc basis by the military services and not under auspices of the Department of Defense, itself.

Upon assuming office, I, therefore, established an Office of Organizational and Management Planning Studies under the General Counsel of the Department for direction. I assigned responsibility to this new office to conduct systematic research to provide effective solutions to overall Department of Defense management and organizational problems.

I might say it is working very satisfactorily.

We have already been able to make some changes in organization that I regard as distinct improvements. One such change has been the decision, announced last Tuesday, to establish a Defense Intelligence Agency, or DIA. Our principal objectives in establishing this Agency are to obtain unity of effort among all components of the Department of Defense in developing military intelligence and to achieve a strengthened overall capacity in the Department for the collection, production, and dissemination of defense intelligence information.

The organization will also achieve a more efficient allocation of intelligence resources, more effective management of all Department of Defense intelligence activities, and elimination of duplicating intelligence facilities, organization, and tasks.

I consider that the DIA will permit the Department of Defense to make a more effective contribution to many aspects of the national policy process. The establishment of the DIA was fully endorsed by the President's Foreign Intelligence Advisory Board and the Joint Chiefs of Staff.

Your subcommittee also highlighted the possibility of improvement through "more active participation of the Secretary of Defense in the deliberations of the Joint Chiefs of Staff."

As you know, my predecessor, Mr. Gates, made effective use of this management technique by meeting weekly with the Joint Chiefs. I have attempted to expand upon this concept and have found it one of the most valuable means of obtaining the advice of my principal military advisers.

I have found that by personally raising issues for discussion with the Joint Chiefs of Staff, I have been able to expedite the decision-making process.

Your committee also suggested the "possibility of increased reliance upon the Joint Staff for planning."

I personally consider this to be a most worthwhile recommendation. The Joint Staff, being composed of experienced officers from all military services, has the potential of becoming a most valuable asset to the Department of Defense, as a whole.

I am attempting to realize this potential by strengthening the participation of the Joint Staff in Department of Defense strategic deliberations.

Of the special studies I have initiated since taking office, 35 of the most important were assigned to the Joint Chiefs of Staff and thus to the Joint Staff for analysis. I intend to rely on the Joint Staff even more extensively in the future.

I will not attempt to comment in my statement on other suggestions that your committee has made. I would like to underscore, however, the importance that I attach to your views that those officials, who are selected for top policy positions, should be willing to remain in their posts so long as the President desires them to remain. Certainly this is the policy of the present administration.

Before concluding my formal comments, I would like to state that I am convinced that a great number of additional administrative, managerial, procedural, and organizational improvements can be made in the Department of Defense. I expect to study such improvements thoroughly and make whatever adjustments may be necessary.

If I conclude that changes in basic defense legislation are necessary, I will not hesitate to recommend to the President that he request the Congress to act upon them.

Meanwhile, I welcome any suggestions that this committee, or its members, might have to improve the participation of the Department of Defense in the formulation and execution of national security policy.

Mr. Chairman, members of the committee, I have intentionally limited my opening statement to provide maximum time for any questions that you may wish to address to me, either publicly, or in the executive session.

Thank you.

Senator JACKSON. Mr. Secretary, I want to commend you for a very able presentation of these critical problems. You have been very frank and candid.

I might start by asking a question about a matter that has concerned many of us on the Hill; namely, the fact that you have to appear before so many committees, in many instances, to give almost identical testimony.

At the same time, I might add, the presentation in this broad area of national security from the executive branch over the years, has often been on a fragmented basis.

I wonder if you might give us the benefit of your judgment on this problem based on the months that you have now been in office. I know you will be frank about it. It has troubled all of us.

My colleague agrees with me.

Senator BUSH. I certainly do, Mr. Secretary.

Secretary McNAMARA. I shall be glad to place in the record a list of my committee appearances. I think I have spent in the 6 months since I have been in office, about 20 days before congressional committees. (A list of Secretary McNamara's congressional appearances appears at the conclusion of this hearing, p. 1213.)

I do not consider this an undue burden and I think that it is really a matter that the Congress must decide for itself.

The way it should organize and the way in which it can best and most effectively carry out its legislative duties, is a subject I don't feel well qualified to speak on.

I think we in Defense can more effectively present our programs by avoiding the fragmentation that you have mentioned. They have been presented in fragmented form in the past.

I hope that starting with the presentation for the fiscal year 1963 budget, we can avoid that by presenting initially a complete and comprehensive statement of the total Defense program and its relationship to our total objectives.

Senator BUSH. On that point, the preparation for these 20 days also involves a great deal of time, does it not?

Secretary McNAMARA. Yes.

Senator BUSH. I presume while you have staff to help you in collecting the material and helping to prepare statements of this nature, nevertheless, it requires a lot of your personal time before you can actually come up here, does it not?

Secretary McNAMARA. Yes, sir; that is true.

Senator BUSH. Would you roughly say it was twice as much time as the appearances, or how much time can you roughly estimate of your own goes into the preparation of the statements?

Secretary McNAMARA. I rely rather substantially on my staff to assist me in preparing for the hearings, but even with that reliance I estimate very roughly that it requires 3 to 4 hours of preparation for each hour before a committee.

Senator BUSH. For each hour?

Secretary McNAMARA. Yes, sir.

Senator BUSH. The appearances of the Secretary of Defense before the Armed Services Committee and his intimate knowledge of so many facets of the Defense Department and of each of the services strongly suggested to me that there were many, many hours of preparation behind those appearances.

Senator JACKSON. The Secretary does his homework.

Senator BUSH. That is right.

Secretary McNAMARA. It fulfills two purposes, however. One is the preparation for the committee hearing, and the other is to acquaint the individual concerned with what he would not otherwise know and might otherwise have not known about his own department.

So it is not altogether time lost.

Senator JACKSON. I believe you have a good staff and it is obvious from your committee appearances which I have had the pleasure of attending that you have done your home work.

It occurs to me, Mr. Secretary, that the administration might give some thought to an early presentation of the overall national security budget that is State and Defense together—with, perhaps, a presentation to the Foreign Relations and Armed Services Committees, including the members of the Appropriations subcommittees that handle the pertinent legislation. This would give the members at the beginning of the process a broad picture of what the executive branch is attempting to do in any given fiscal year. This is not done at the present time.

I have a feeling that part of our problem on the Hill stems from the fact that the initial presentation comes in pieces.

It does seem to me that the executive branch might be able to make a joint overall presentation of its national security goals and budget to the pertinent committees of the Congress.

I realize this goes beyond the Department of Defense because it includes other departments of the Government.

Secretary McNAMARA. We have taken a step in that direction, I think, with the form in which the military and economic aid programs are presented to the Foreign Relations and Foreign Affairs Committee and perhaps it could be extended still further.

Senator JACKSON. Speaking of committees, Mr. Secretary, as you know, we have been greatly concerned during the course of our study with the number of committees, in the Department of Defense alone.

I have here a compilation made last year of some 900-odd committees within the Department of Defense. These are only the unclassified committees.

I wonder what your feeling is about the committee business in the Department of Defense?

Secretary McNAMARA. I do not look with favor upon committees except when they perform a very limited function. Following inauguration on January 20, I examined the number of committees in the Department of Defense and they approached a total of 3,000.

Since that time up through July 1 we dissolved about 400-plus and we have scheduled for dissolution another 130, but that leaves 2,400 to continue to work on. These numbers, of course, somewhat exaggerate the situation because some of these committees are very small. They cover management of an officers' club, for example. But some of the others operate in very important fields.

As I say, I feel that committees can serve a useful purpose, but they cannot be considered substitutes for creative leadership and personal responsibility for such leadership.

Nor in my opinion should they be thought of as decisionmaking bodies, but, rather, their function should be limited to that of a forum in which advice can be exchanged.

In the latter role they can play a very important part in our decisionmaking process, but I suspect in the past they have been relied upon far more than that role. Where we find that to be the case, we are dissolving them.

Senator JACKSON. Do you feel that in the operation of the committee system more power should be vested in the chairman as his personal individual responsibility?

Secretary McNAMARA. I do not believe that a committee should hold a meeting unless the decisionmaker is present and normally I believe the decisionmaker should function as chairman of the committee.

Senator JACKSON. So that he is held personally responsible to make a decision. Otherwise, if it is left to a whole group, the chance of reaching a decision is remote?

Secretary McNAMARA. Exactly. I have seen a committee function where the decisionmaker did not serve as chairman. I can conceive of operations of that kind. I don't believe it functions most effectively through that technique, but a committee can function that way.

Apart from that, I believe, as you have suggested, that the chairman should have the authority of decision.

Senator JACKSON. Mr. Secretary, you have been in office now for several months. What stands out in your mind as the major differences involved in running the Ford Motor Co. and the Department of Defense?

I hope you understand the spirit in which I ask the question.

Secretary McNAMARA. There are great similarities and great differences. The similarities are associated with the administrative problems that one faces in any large organization. They are very similar, problems of organization, problems of assignment of work, problems of scheduling of work, problems of selection of individuals properly qualified for particular assignments, identification of the problems of substance.

I believe that the techniques used to administer these affairs of a large organization are very similar whether that organization be a business enterprise or a Government institution, or an educational institution, or any other large aggregation of human individuals working to a common end.

The substantive issues, of course, are very much different.

There is no similarity between the question of how many lines of automobiles a particular company should have or what their character should be on the one hand, versus the proper political-military solution to the very serious and complex problems that the Nation faces. It is in the substance area that I find the greatest differences.

Senator JACKSON. I suppose you do not have to meet as often with your board of directors as you do here? You alluded to that earlier.

Senator BUSH. May I ask a question?

Senator JACKSON. Certainly.

Senator BUSH. You have no doubt in your mind that your industrial experience has been a very useful preparation for the heavier responsibilities which you now assume?

Secretary McNAMARA. Yes; on two scores: First, as I suggest, the administrative techniques are very similar in any large organization. Having come from a large industrial organization, I find that the techniques of administration that were applicable and effective there are likewise applicable and I hope effective in my present position.

Beyond that there were certain substantive matters I was responsible for as president of the Ford Motor Co. which are very closely related to what I am responsible for in the Department of Defense.

The procurement process in the Department of Defense is very similar to the procurement process in Ford Motor Co. At Ford we bought \$3 and \$4 billion worth of material a year; in Defense we buy \$20 billion worth. In many cases they are the same materials, or very similar ones, from the same companies and the purchasing practices and problems therefore are closely analogous to those of the Ford Motor Co. But these, I would emphasize in a very real sense, are the less important substantive issues in the Department of Defense. The main substantive matters are quite unrelated to those for which I was responsible at Ford.

Senator JACKSON. Mr. Secretary, do you feel that you have sufficient authority at the present time to deal with the current organizational problems of the Department of Defense?

Secretary McNAMARA. Yes, sir; I do. I say that without indicating that I have in mind any particular major reorganization for which I do not have authority.

I would simply say that I do have authority to accomplish the changes that I believe are necessary and that I am undertaking at the present time.

Senator JACKSON. If you need additional authority, of course, you will not hesitate to ask Congress for that authority?

Secretary McNAMARA. Exactly. It is too early for me to come to any conclusions as to major reorganizational changes which may or may not be required in the Department and for which I might conceivably require additional authority.

Senator JACKSON. I think you have been following a wise course. You have been feeling your way and trying to ascertain how things are working at the present time. Where changes are needed, you are making them?

Secretary McNAMARA. Exactly.

Senator JACKSON. We were very much interested, Mr. Secretary, in the very able presentation made by Secretary Hitch of the functional approach, or program packages.

I wonder if you would care to comment as to what impact this might have on possible changes in the organizational structure within the Department of Defense.

Secretary McNAMARA. I don't believe there is any direct relationship, or even close relationship, between the so-called programing process as it relates to decision making on the one hand and the organizational structure of the Department on the other hand.

By programing, we simply mean the completion of costs and related data in terms of the decisions that are to be made.

An illustration, for example, might be our strategic delivery systems, alternative numbers of aircraft and missiles and submarines; the decision as to the total force level; and the optimum mix of vehicles within that force level.

This decision requires that all of the costs of all of the alternative systems be collected together and be associated with a particular alternate program.

In that sense the collection of the costs cuts across the military departments because in the illustration I have given the Polaris submarines are, of course, the responsibility of the Navy Department, whereas certain missiles and aircraft are the responsibility of the Air Force.

But the collection of costs in terms of the program cutting across the military departments in order that a decision may be made as to the appropriate level of strategic power in the optimum mix of vehicles to obtain that power does not carry with it any organizational connotations.

Senator JACKSON. It could lead, in the future, though, to some possible revision of organization, could it not?

Secretary McNAMARA. No, sir; I do not believe it could.

Senator JACKSON. I am not saying this is bad.

Secretary McNAMARA. I don't believe it could or would, Mr. Chairman. I don't believe it would have any influence, really, on the organizational structure or possible changes in it.

As a matter of fact, it can serve as a substitute for a change in the organizational structure.

I don't wish to overemphasize this point, but I believe it is a valid point.

For example, if one were to continue to decide on the number of Polaris submarines independent of the number of B-52 aircraft, or the number of Minuteman missiles, eventually erroneous decisions would be made and resources would be wasted.

This could well lead to the demand to consolidate organizationally the responsibility for Polaris submarine and Minuteman missiles and B-52 aircraft.

The programing procedure, as I say, could act as a substitute for the organizational change because it collects statistically the costs from the several departments and consolidates those costs and the resulting benefits in terms of the destructive power so that decisions may be made with respect to the total strategic force and to the optimum mix of weapons within that force.

In a very real sense, this is a substitute for organizational consolidation.

Senator JACKSON. I think it is always a wise move, certainly for budgeting purposes, to give a clearer picture of the job that is being done and the resources that we have available to do it.

Senator BUSH, would you like to ask some questions?

Senator BUSH. Just on that point, I am very much interested, Mr. Secretary.

I take it from what you say that you make a vigorous attempt to relate the strategic power of the Polaris missiles, let us say, with the Minuteman, with the Atlas and Titan programs.

Secretary McNAMARA. Exactly.

Senator BUSH. So that you have a connected and related program involving all of these long-range weapons, including the Strategic Air Command, so that your effort is to be sure that they do relate to each other and not just establish performance capability of their own; is that right, sir?

Secretary McNAMARA. That is exactly right.

In a very real sense, they are interchangeable, one with the other, and substitutes one for another.

Because of that it would be inappropriate to decide on the total number of Polaris submarines to be procured independently of the decision on the total number of Minuteman missiles to be procured, or the total number of B-52 aircraft to be procured.

Since the organizational structure separates these forces, assigning something to the Air Force and some to the Navy, it is essential that the top decisionmaker, in this case myself, in formulating my recommendation to the President, have available a statistical consolidation which cuts across organizational lines, and that is the way in which the program that Mr. Hitch described to you will function.

Senator BUSH. I am very glad to hear that, because I think that is awfully important with the services, each one apparently going ahead with its own development program, that the Secretary is really coordinating these efforts in the final analysis so that we have a thoroughly related, integrated strategic capability, coordinating the three services.

I am very glad to hear it.

Senator JACKSON. The effort is to pull together the weapons systems from the services by function so that the Department will have a clear picture of the power we have, for example, for our strategic retaliatory forces.

This would be done for limited war forces, and so on.

Senator BUSH. I would assume, Mr. Secretary, that because of your relating these various weapons systems one to the other, that it was your conclusion that the additional \$500 million for the long-range bombers, the B-52 program, was not needed?

Secretary McNAMARA. Yes; that is true.

Senator JACKSON. Mr. Secretary, while we are discussing the budget a bit, could you indicate to us how you go about formulating the defense budget? We have had guidelines in the past. I do not mean you should do this in great detail; I do not want to place that burden on you. But you might consider in general terms fiscal year 1963, just what the procedures are, whether you have budget ceilings, guidelines, and so on.

Secretary McNAMARA. Yes; we start with the political objective, the formulation of which is presented to us by the Secretary of State and upon which the President indicates his desires that we develop a military program that will support the political objective.

As you know, the President has stated that the defense budget is to be established without regard to arbitrary ceilings.

We determine the force levels which we believe are necessary to support the political objective and then act to fulfill the President's second direction to us. He has indicated that we are to attain the specific force levels necessary to support the political objective at the lowest cost.

Every effort is made to do that.

Now, further, I would say that the budget process in the full sense of the word will be a continuing one, that we expect to lay out a budget or an operating plan, operating military program, covering a sufficiently long period of time so that the period covered by the plan or the budget will equal or exceed the longest leadtime of the actions included in that budget.

This means that the plan must cover at least 5 years.

We then propose to maintain that plan or budget up to date with monthly revisions to it so that at any particular time when a budget for a special period, such as the fiscal year, is required, it can be abstracted from the continually modified and continually adjusted military program.

Senator JACKSON. So that in your initial effort, which is to provide that force level sufficient to carry out the strategy set by the President in consultation with you and the Secretary of State, there is no arbitrary budget ceiling?

Secretary McNAMARA. There is not.

Senator JACKSON. And the effort you are making is to achieve the forces necessary to implement our strategic objectives.

Secretary McNAMARA. And to achieve those at the lowest possible cost.

Senator JACKSON. How does this approach, if you know, differ from the approach taken previously?

Secretary McNAMARA. I really should not speak of the past. I know of it only by hearsay.

Apparently my views of what happened in the past differ from some of those who participated in the activities and, therefore, I think they, rather than I, should be considered the authority.

Senator JACKSON. That is being very fair about it.

While we are speaking about this subject of providing, as you mentioned, 5-year projection-of-force levels, and so on, what is your feeling about planning? Planning to a lot of people equates with some things that are not always good.

Did you do any planning in Ford Motor Co.?

Secretary McNAMARA. We did; yes. We had a 5-year plan adjusted monthly. It was only through that that we could achieve maximum efficiency.

Senator JACKSON. The Russians are not the only ones with a 5-year plan?

Secretary McNAMARA. They are not.

The point I would emphasize is that planning is simply a systematic appraisal and formulation of your objectives and of the action that you believe necessary to achieve those objectives.

In that sense, it is almost axiomatic that it is good.

Senator JACKSON. All the large corporations, certainly, if they are exercising prudent judgment, have to plan ahead to know what the situation is going to be several years hence. Isn't that correct?

Secretary McNAMARA. Yes; I think the difference between the two, of course, is that the large corporation can predict with greater accuracy the future that it faces.

Senator JACKSON. The forces they are dealing with are a lot different than the forces you have to reckon with.

Secretary McNAMARA. Exactly. But the unpredictable nature of many of our environments does not by itself make planning unnecessary. Quite the contrary, I think it further emphasizes the need for planning and the need for constant readjustment of those plans.

Senator JACKSON. Do you feel that the planning that you are now engaged in in the Department of Defense, planning as distinguished from budgeting—Mr. Hitch made it very clear that you are planning ahead, but that this does not mean you can necessarily budget for each year ahead—can this planning be very helpful in avoiding waste and in putting you in a better position to assist the State Department and the National Security Council in achieving the long-range objectives that the President will set in the future?

Secretary McNAMARA. Yes. I think the planning ahead, can lead, for example, to a much closer and more efficient relationship between our procurement programs and technological advances and technological changes thereby avoiding waste that might otherwise occur.

Senator JACKSON. Speaking in that general area, do you think the Secretary of Defense, yourself, needs more flexibility in the use of funds, particularly in the research and development area?

Secretary McNAMARA. In the research and development area I believe we have adequate flexibility at the present time.

I have the authority to transfer approximately \$300 million from other accounts into research and development accounts.

But in other areas of the budget I believe still further flexibility would be desirable.

The Congress has provided to the Department certain flexibility, much more today than was authorized 5 or 10 or 15 years ago.

But as we move further into a future dominated by technology and by rapid changes in technology, I believe further flexibility would be desired.

I am speaking now not in the research and development area, but particularly in the procurement area, also in connection with certain of the funds authorized for personnel, because the personnel requirements are affected by rapid changes in technology just as the procurement requirements are affected.

Senator JACKSON. The research part you can hold down, but is there not a rather fuzzy line between development and production these days?

Secretary McNAMARA. There is indeed.

Senator JACKSON. You can get into a development program which appears to be small in nature, but can actually be a very small down-payment on an enormous undertaking.

Unless you have some authority to deal with these various projects and programs that are underway, they could lead to some rather disastrous fiscal situations.

Secretary McNAMARA. Yes, the committees of Congress that are responsible for authorizing and appropriating our funds, have developed a series of techniques that permit them to control our actions while at the same time granting flexibility.

I would simply suggest a further extension of these same techniques into other acts of our Department.

Senator JACKSON. I think by way of illustration—you do not need to do it now—but if you could have your staff give us a list of the things that we are already committed to and which involve our planning ahead, it will help us to get a better picture of it.

If you could do that, I think it would be very useful.

Secretary McNAMARA. Yes; I will be happy to.

(The illustrations appear following this hearing on p. 1213.)

Secretary McNAMARA. I can now give you a very simple illustration of the need for flexibility. The President presented the recent defense supplement to the Congress, recommending its approval. In accordance with the traditional form for recommending funds, there are splits between the funds to be authorized for Air National Guard personnel on the one hand and Air Force personnel on the other.

When the program was drawn up it was drawn up on the assumption that certain Air National Guard units might be called to active duty on a specified date. It now appears possible that we could save money and increase readiness and reduce the burden on the individuals concerned by deferring the call for 30 days and in the intervening period assign still further personnel to the National Guard units involved.

The effect of this is to reduce the total cost to the Department and to reduce substantially the cost of Air Force personnel, but to increase the cost of the Air National Guard personnel.

We don't have the authority to do that because the Air National Guard funds are appropriated specifically and with certain limitations for that account.

This is one of the minor illustrations of the advantage of additional flexibility.

Senator JACKSON. Would you say that the three Departments, Army, Navy, and Air Force, are likely to play a different role in defense planning and organization than they have previously?

Secretary McNAMARA. I would say they are likely to play a fuller role.

The Navy will participate in a discussion of the Air Force's strategic systems.

The Air Force will participate in a discussion of the Navy's strategic systems.

We held just exactly that kind of discussion with all of the chiefs and all of the secretaries participating last Friday afternoon.

Similarly, the Navy and Air Force and Army will join together in a consideration of the airlift, sealift, and ground requirements in a way that had not been done previously.

So in a very real sense the military departments will more actively participate in the planning and budgeting process.

By the way, in my mind, I equate planning and budgeting and consider the terms almost synonymous, the budget being simply a quantitative expression of the operating plans.

Senator JACKSON. This increased service department participation should be a very healthy development. It would seem to me that it would expose the mistakes made by the services—and they are bound to make mistakes—and also bring out new ideas and fresh approaches.

Secretary McNAMARA. Yes; and more importantly, it will assure that the programs of each department are in balance with the programs of the other departments which they affect.

The airlift-sealift problem is an illustration of that.

Senator JACKSON. You might discover some resources you do not know about.

Secretary McNAMARA. Or alternatively we might discover some gaps that exist that might not have been realized.

Senator BUSH. The question prompts me to ask a related one.

How does the Office of the Secretary of Defense tie into the space program, the NASA program?

Secretary McNAMARA. The Director of NASA, Mr. Webb, and I, have jointly reviewed the total national space program.

The responsibility for such actions as the lunar probe and lunar landing projects is clearly the responsibility of the Director of NASA.

We, however, are carrying on a number of military programs from which NASA might benefit, and in turn we might be able to utilize certain of NASA's vehicles.

Therefore, Mr. Webb and I have jointly reviewed the programs of the two departments. We have asked our technical personnel to work very closely together. We are in constant communication, one with the other.

We have laid down our programs on paper and have agreed that there will be no changes on those within certain limits without the specific written notice of and approval of the other party. This is to avoid duplicate action and duplicate expenditures within the two agencies.

Senator BUSH. You feel that there is a maximum of possible cooperation between the two agencies?

Secretary McNAMARA. I do, indeed. I see no problems here from our point of view.

Senator BUSH. I am very glad to hear that.

Senator JACKSON. It is pretty clear that when we undertake a program such as going to the moon, that you call upon all the resources of the country in varying degrees, which means all the resources of the departments, and it is very important that a coordinated plan be worked out.

No one agency can undertake a job of that kind based on their present roles and mission.

Senator BUSH. Yes, sir.

What I had in mind was almost that, but also the fact that we are doing so much development work in the Air Force and in the Army and in the Navy in respect of long-range and intermediate missiles and that the NASA organization is doing research and development work in connection with long-range space exploration and developing its own engines—are they?

Secretary McNAMARA. Yes.

Senator BUSH. And it seemed to me of great importance that there be a maximum of cooperation and knowledge of what each other is doing, you see, so as to eliminate any possible duplication of work.

This is tremendously expensive and so important, too.

Secretary McNAMARA. We have entered into a signed agreement which Mr. Webb and I have signed, indicating in that agreement the launch vehicles that each of us is working on and have stated that no additional launch vehicle development work will be undertaken by either agency without (a) the knowledge of the other agency and (b) the acceptance of that other agency of the requirement for that launch vehicle work, and in the event agreement cannot be reached, we will then bring it to the attention of the President.

Senator BUSH. Thank you, Mr. Secretary. I think that is very reassuring information.

Senator JACKSON. I agree with you, Senator Bush, that what the Secretary is saying, in effect, is that you cannot separate the peaceful from the military aspects of any major space programs.

Something that starts out as a long-term military objective has enormous peaceful implications.

It would take a genius to work out in advance a program of segregation of the military implications that would flow from the peaceful implications.

When you undertake the lunar expedition, for example, it seems to me that the major consequences of that particular task are not even known at the present time and the collateral benefits that can accrue may well be greater than merely getting a man on the moon.

It may take us to a lot of other places beyond the moon.

Secretary McNAMARA. As a Nation, I believe we must further standardize our launch vehicles. We must develop a building block concept in which we have launch vehicle A, that will cover the needs of the Air Force, Navy, and NASA for a particular set of requirements, particular weight of payload.

We must have launch vehicle B that can be added to launch vehicle A that will cover the requirement of another group.

We must have launch vehicle C that will cover the needs of all agencies that will cover another range of payloads.

This concept we are developing and we are carrying out. When it is fully implemented, I am confident it will avoid the waste that would otherwise occur as a result of each agency developing its own launch vehicles for each of its purposes.

Senator JACKSON. You say you have signed an agreement with Mr. Webb.

Secretary McNAMARA. We have.

Senator JACKSON. In which you have established a very close working relationship to avoid this very duplication that would otherwise occur?

Secretary McNAMARA. That agreement is in existence and I have signed it.

Senator JACKSON. What about the role of the three services in relation to the Office of the Secretary of Defense. Do you think the military officers of the three services will have a different role in planning under your leadership than they did formerly?

Secretary McNAMARA. Again it is difficult for me to speak with any authority of their operations in the past because I am not intimately acquainted with them and I would not wish to misstate the way in which they did operate.

But the development of the program concept and the manner in which we are planning to review the programs will require that each service Secretary and each service chief participate fully in those discussions and thereby he will be participating in the review of the proposals of the other services to a much greater degree, I believe, than has been true in the past.

That is the major change.

Senator JACKSON. You would say that is a major change?

Secretary McNAMARA. Yes.

Senator JACKSON. In other words, they will sort of play the role of "generalist" in that they are not merely advocates of their own individual service, but they have a responsibility to look upon the whole concept and make their comments known.

Secretary McNAMARA. Yes. That has, of course, been a responsibility of the chiefs in their capacity as members of the Joint Chiefs, but now we will not only recognize it formally, but also in practice by introducing them much more fully into the total planning and budgeting process.

Senator JACKSON. Would this mean you are going to rely more heavily on the joint staff in assisting you in your strategic deliberations, for example?

Secretary McNAMARA. Yes, I definitely plan to rely more heavily on the joint staff. I have done so so far and I proposed to do so in the future.

Senator JACKSON. Do you plan any change in the composition of the joint staff?

Secretary McNAMARA. Not directly. The introduction of the Defense Intelligence Agency as a unit reporting to me through the Joint Chiefs of Staff may have some effect on the joint staff. We are limited by law as to the number of men that can be assigned to the joint staff.

At the present time we propose no change in that limit.

Senator JACKSON. You may ask Congress for additional authority at a later date?

Secretary McNAMARA. Yes, as we have fuller experience with the use of the joint staff and as the chiefs expand its use and operation, we may find the need for additional personnel.

Senator JACKSON. Senator Bush, do you have any further questions?

Senator BUSH. No, thank you, Mr. Chairman.

Senator JACKSON. Senator Mundt?

Senator MUNDT. Yes, Mr. Chairman.

Mr. Secretary, I have read your statement. It is always a pleasure to have you as a witness before any committee of which I am a member.

Before the Appropriations Committee you always bring a most persuasive case.

I asked one of the earlier witnesses representing the Pentagon, I believe it was Mr. Hitch, but I am not sure, about a problem which

has concerned us a great deal, and that is getting greater value for the American taxpayer from the material that the Defense Department has found it necessary to order and then found it unnecessary to use.

You have accumulated a tremendous inventory. I am not critical of the fact that you do accumulate inventories which you do not use because you are swimming in a pretty swift stream which changes very rapidly.

But other members of the Appropriations Committee, as well as myself, have been very critical of the fact that no way is found to recapture for the taxpayer anything remotely resembling the intrinsic value of this surplus material.

I wonder whether as a businessman this has caused you some concern and whether you have given it any thought, and if you have arrived at any recommendation.

Secretary McNAMARA. It is a serious problem. We have inventories approximating \$42 billion in value.

The obsolescence of those inventories is very costly. I think we should attack the problem on two separate fronts.

First is a closer, more exacting review of requirements leading to the original procurement.

We are beginning to do that. I believe by this action we can reduce the amounts of material procured and thereby reduce the amounts of material that subsequently became obsolete.

In the long run I suspect that the greatest savings potential lies in this action, but, secondly, and directly related to the point you have raised, I believe we can organize to more effectively dispose of our surplus inventories and realize a higher percentage of the original cost through that disposal process.

At the present time, I think we are realizing less than 5 cents on the dollar at the time of disposal of the material as surplus.

Senator MUNDT. 5 cents on the dollar?

Secretary McNAMARA. Less than 5 cents on the dollar, I believe. I believe we can raise our present level of realization by certain techniques to reorganize the disposal process.

It is entirely possible that we should centralize all disposal activities in one agency within the Department. Whether that agency would be assigned to a particular service, or report directly to the Secretary's Office, is not nearly as important as it would be, I think, that the function of disposing of surplus inventories be recognized as a specialty and that the actions to that end be consolidated in one agency.

We are considering that as a possibility.

Senator MUNDT. I hope you continue to work on that angle. Personally, having watched it, discussed it, and complained about it for a great many years, I have seen many come into Government as you have and express the hope that they are going to make the savings by not ordering the inventory. I think a lot of good men have tried. Somehow or other, they have failed.

I have about concluded that failure is inevitable in the process, that changes come and nobody can anticipate them and so there you are, and no commander, no secretary, wants to get caught short with an inventory that he needed to work with.

So I do think that we have to look at it from the standpoint of the merchandising, that here is perfectly new, splendid, unused, valuable equipment, and it is very distressing to get letters from taxpayers who walk down some street, pass an Army-Navy store, and there they find a \$50 pair of binoculars that have never been used, Army issue, for resale at \$10.50 and you know the fellow selling it has to make a profit, too.

There is just something wrong about that kind of disposal because necessarily the Defense Department is using now such a tremendous portion of the taxpayers' money.

I think we have to give some attention to recapture. When you go from binoculars to hunting coats and things of that type, up to big equipment, if the sale ratio of markdown is there it would cause the angels to weep.

If you follow through, I assure you that you and I will be discussing it across the committee table freely as long as both of us are here because I have been working on it for a long while.

I know in the industry that you represented before you came here, which is one of America's most efficient, you must have watched that aspect of the budget as well as procurement.

Secretary McNAMARA. We did and we treated it as a specialized function deserving of specialists. I think in that area there is room for improvement in the Department of Defense.

Senator MUNDT. I read a recent article in the New York Times which may or may not be accurate, dealing with the guidance memo that you have circulated through the services that they quote:

After the President has established a policy or after appropriate officials of the Defense Department have established a policy, I expect no member of the Department, either civilian or military, will discuss that policy other than in a way to support it before the public.

Now, is that the true sense of the memo, guidance memo, under which your associates operate?

Secretary McNAMARA. Yes, with one qualification, which was not either stated or left out of the article.

I expect that the representatives of the Department when appearing before Congress and asked to present their personal opinion, will do so.

The statement I have made to the Department and also the specific written piece of paper that carries that guidance includes that qualification.

Senator MUNDT. That could well be. I just wanted to establish for the record here, which is more official than the New York Times, a summary of the guidance which we have not seen, the fact that that was indeed the policy, that there were no inhibitions, no new inhibitions, no changes in policy which would preclude your associates, from the lowest to the top, under your direction, who are considered competent enough to be called before Congress for a hearing, to testify before us, free from any guidance or any directive which would compel them to maintain silence. Is that correct?

Secretary McNAMARA. That is absolutely correct.

I would add, further, however, that when an individual representing the Department appears before Congress and in answer to a question from the Congress as to his personal opinion on the matter,

expresses that opinion, I would ask that he express a balanced opinion, that he indicate whether or not he has had an opportunity to express his opinion to the decisionmaker before the decision was made, and that he state that there are pros and cons and that he list those pros and cons so that the Congress obtains a balanced view of the problem, and that he indicate further his acceptance of the decision.

Senator MUNDT. Well, we sort of assume he has accepted the decision or he would not be here. If he is still on the team, he must have gone along with the decision.

As you know, by now I am sure, Congress has a habit of asking Secretaries of the services, generals, people of lesser rank, do you personally feel this is enough for your particular service? Do you personally agree with this conclusion? And I think they should be free to say no, but my personal opinion is so and so, and they almost always are prudent enough to say, of course, "I am going along with the team; I have been outvoted."

Whether they say that, or not, we are realistic enough to know that is true, but I think they should have that understanding, otherwise Congress, in its decisionmaking, gets to hear only one side.

Secretary McNAMARA. There is no question in my mind but what they should and do have that right.

As I say, I have asked, however, that when they exercise the right they exercise it by presenting a full balanced statement of the problem and their analysis of it, and finally their conclusions.

Senator JACKSON. Will the Senator yield at that point?

Senator MUNDT. Yes, after I make this observation.

When they make it, they usually make it on an issue on which the pros have been pretty well discussed before the committee by some other witness from the Pentagon, so that usually if they state their reasons for their conflicting point of view it does create that balance of evidence on which we can formulate a decision.

Secretary McNAMARA. With this exception, that I do not believe those advancing the conclusion that gave greater weight to the pros should state only the pros.

As Senator Bush knows, it is my belief that the Congress should be presented with the pros and cons even by the person recommending a particular course of action, giving more weight to the pros.

It is only in this way that we can properly fulfill our responsibility to Congress to inform it fully on the issues.

None of these issues are clear cut, they are not black and white; they are mostly gray. It is my intention that we will present the grays and then state quite forcefully and clearly that recommendation.

Because that is to be done initially, it should be done in all discussions following that on the same issue.

Senator JACKSON. I was going to say, Mr. Secretary, what you are doing is following the traditional rule that previous administrations have adhered to, namely, that when a policy has been agreed upon, the people who are responsible in the executive branch of the Government have the duty to carry it out. That is when a decision has been reached.

Congress has a constitutional responsibility to provide money for the national defense, and if Congress is to act wisely and effectively, then it needs the professional advice of our top military leaders. I

take it from your statement, that you have made it very clear that any officer is free and, in fact, has a duty to respond to any question that a Member of Congress should ask concerning his personal views on, we will say, a given weapons system. You honor that right and your directive covers it.

Secretary McNAMARA. My directive is very specific on that point.

There is no question in my mind and I do not believe that there is any question in the mind of any member of the Department.

Senator JACKSON. The best proof that there has been no impairment, of course, is that Congress has added money for bombers—about a half billion dollars worth.

So I think your directive is working in both directions.

Secretary McNAMARA. It is a little too effective, I think.

Senator JACKSON. I merely raise this point, Senator Mundt, because I think that if you just read part of the directive, one might get the misimpression that someone was being muzzled.

I want to say that the man has just not come along who can muzzle the Pentagon. I do not think they ever will and I do not think they should.

I think we all agree that it is by the exchange of ideas that we can make progress in this area.

On the other hand, it should not be used as a propaganda mill when decisions have been reached, decisions that should be implemented by all the people in the services, even though they may disagree with the decisions.

Senator MUNDT. That helps to establish the record which I was trying to put into an official document here because one of the things in which the Pentagon has always specialized is leaking articles to newspapers.

That is nothing new under any administration.

I see newspapermen have been able to develop a lot of funnels of information into the Pentagon. Perhaps it is better, therefore, to get these things tacked down in an official record than to have excerpts of articles in the Times reprinted some place else in which they pointedly emphasize one phase of your directive, but not the other.

Now, will you take us back behind the frontlines of the Pentagon as to how this process of argumentation, difference of opinion, presentation of the grays, and the whites, and the blacks, and the pros and cons takes place in formulation of the final policy which becomes governmental policy at the time you have enunciated it in a statement to the Congress and so forth, and is then expected to be followed by all of the people in the Pentagon except those who come to Congress and testify and are asked to tell why they disagree.

In other words, I would like to have for the record how those who disagree, let us say a three-star general disagrees from the very beginning; he just honestly and conscientiously feels that a policy is wrong; how does he get his point of view considered and by whom before this court of last appeal when he finally comes to Congress and they ask him and he says, "Well, I have to tell you how I feel."

Secretary McNAMARA. I can perhaps do so best by referring to a specific example. We are at the present time, as you might expect, working on the fiscal year 1963 budget program. One of the major portions of that program will cover the proposed procurement of

strategic delivery systems, Polaris submarines, Minuteman missiles, mobile Minuteman, other weapons of that type.

Through Mr. Hitch, the Assistant Secretary for Defense, in charge of our financial management, we issued a set of instructions indicating the form and the time schedule to be followed in preparing the recommendations for the fiscal year 1963 programs. These instructions were sent to the Departments concerned, in this particular instance principally the Navy and the Air Force.

The Army was informed also, however, because we wished the Army to be familiar with the proposals of the other two Departments and to participate in the discussion of them.

The Chairman of the Joint Chiefs was also informed because, likewise, he was to play an important role in the final decisionmaking process.

Pursuant to those instructions the two Departments, the Navy and the Air Force, prepared their recommendation, submitted them to my staff where they were analyzed, presented then to me for my study. I studied them and then asked that they all be sent to the Joint Chiefs for their review, acting as a so-called corporate body.

The Chiefs did so review it and as a body presented me with a written statement of their views.

On Friday of last week, Friday afternoon, I believe, I met with the three service Secretaries, the three Chiefs of their service, plus the Commandant of the Marine Corps and Chairman of the Joint Chiefs, plus my Deputy, Mr. Gilpatric, plus three members of my staff, and we spent some time together, approximately 2½ hours, hearing the Navy present their proposal in the presence of the Air Force; the Air Force present their proposal in the presence of the Navy, and the Army comment on each in the presence of the other. Following which I expect at some point in the not too distant future to come to a conclusion as to what I will recommend to the President on this specific issue.

I simply cite this because it is fresh in my mind and it is typical of the procedure we follow on any issue of any importance affecting more than one department.

Senator MUNDT. After you make your decision in this very commendable procedure, you recommend it to the President and let us say the Chief of the Air Force still feels that his segment of defense has not been adequately represented, what recourse does he have?

Secretary McNAMARA. By law he has the right to inform me of his views and then appeal directly to Congress.

Senator MUNDT. He can make a personal appointment and tell you why he disagrees?

Secretary McNAMARA. More than that, after informing me that he disagrees he can appeal directly to Congress.

Senator MUNDT. Can he appeal directly to the President, too?

Secretary McNAMARA. Yes, although there would be no need for that because in my presentation, in my recommendation to the President, I would state the pros and cons and the views of all the parties so the President sees quite clearly the alternatives that we face and the reasons advanced by the proponents of each of the alternatives and finally the conclusions that I arrived at and my reasoning therefore.

Senator MUNDT. Do you not think he would kind of have a hankering to go and make his pitch directly to the President on the theory that probably a Ford salesman can sell Fords better than a Chevrolet salesman can sell Fords although they are selling the same product, he has more enthusiasm.

Secretary McNAMARA. There is no question of the Chiefs' right and opportunity to discuss the matter with the President.

I simply emphasize the legal right he has to appeal to Congress. It is a rather unusual provision of the law, but one that is very clear.

Senator MUNDT. One other question and that deals with the War Colleges which you discussed in your opening statement:

In the professional training courses at the National War College, at the three military department war colleges, and at the Military Assistance Institute, emphasis is placed upon the interrelationship of the political, economic, and military factors in our security policies.

The State Department personnel and so forth, are represented.

That leads to a question or two about the so-called new directive which has been issued by the Department dealing specifically with this whole question of policy.

I do not intend to get into it in detail because I understand the Committee on Armed Services is planning to investigate this.

I am concerned because it deals specifically with the whole matter of policy machinery.

Do you care to dilate further on what your concept is as to what should be taught at the National War College, what should be presented at the National War College, other than what you have listed here, which indicates that it is limited to the interrelationships of the political, economic, and military factors in our security policies?

In your opinion is that the primary material that should be presented in courses of that type?

Secretary McNAMARA. No, the primary material is related to the national military strategy and alternatives that might be considered.

But rather than consider it was limited to political, economic, and military factors affecting our security policy, I wish to emphasize the broad character of the discussions, taking account as they do not only the military factors affecting our security policy, but the political and economic factors, as well.

The directive that you perhaps are referring to is the directive which has been mentioned in the press recently as having been issued within the last few weeks, if I am thinking of the same directive as you are, it was simply a codification or a reissuance of a statement that I made earlier in the year indicating that civilian and military officials of the Department of Defense are not to speak on matters of foreign affairs outside of the performance of their normal duties as representatives of the Defense Department.

These subjects, the subjects of foreign policy and foreign affairs, are appropriate subjects for discussion by representatives of the Department of State.

Senator MUNDT. Perhaps you can clarify the atmosphere if you would delineate for the record how your directive changes practices and procedures in that connection from what they were before you issued the new directive?

Secretary McNAMARA. I would be happy to expand on the statement I am about to make for the record.

Again, I cannot speak with any great authority on the past, but I would simply say that in order to avoid any misunderstanding on this subject, I made a rather clear statement of my views very early in my term, sometime probably in early February, indicating that I thought it inappropriate for those of us in Defense, whether civilian or military officials of the Department of Defense, to be representing the Government and speaking on matters of foreign affairs and foreign policy before the public.

I felt we should limit our discussions to subjects of military affairs.

Senator MUNDT. To which you added a codicil or amendment recently; is that correct?

Secretary McNAMARA. I would like to refer to the particular piece of paper and I will so refer for the record, if you wish, I do not believe there is any codicil added in that amendment.

I think the amendment, the piece of paper in particular, I believe, was signed by Mr. Gilpatric or Mr. Sylvester, the Assistant Secretary for Public Affairs, simply establishing certain procedures in carrying out the instructions.

Senator MUNDT. Would that make it less Pentagon policy if it were signed by Mr. Sylvester, than if it was signed by Mr. McNamara?

Secretary McNAMARA. I meant to indicate there was no codicil attached, but, rather, a procedural implementation of a previously established policy.

Senator MUNDT. A lot of people, including, I believe, the Senator now addressing you, would be a little happier if on page 6 of this statement you have, it would read, instead of as it does, as follows:

In the professional training courses at the National War College, at the three military department war colleges, and at the Military Assistance Institute, emphasis is placed upon the nature of the Communist enemy which we confront in addition to interrelationships.

It seems to me some place or other that would be a good place to get across that concept and that mission.

I was disappointed not to find it in your statement. That is why I asked whether you felt there were other things that should be as emphatically presented and I had expected you would perhaps say something in that connection.

Senator JACKSON. Will the Senator yield for a moment? From having addressed the National War College, myself, every year for many years, it is my understanding that they do have appropriate presentations.

I think the head of the FBI makes it an annual affair to give the internal threat that exists.

While the primary emphasis is on the external threat, they do have people who make talks on the internal threat.

This is true of the Navy War College, the Army War College, and the Air War College.

At least, I have seen the agenda of the ones I have attended and the same is true of the Reserve national strategy seminar that lasted 2 weeks here just this summer.

Senator MUNDT. I presume your presentations as to the war colleges were made prior to this recent memo which we have been discussing.

Senator JACKSON. The rules that have been followed have been the same over a period of many, many years. The primary emphasis is on the external threat political, economic, military, and so on. But at the colleges I know, if you look at the subjects presented, it is quite clear that they do have speakers on the internal threat.

Secretary McNAMARA. Yes, we don't believe that a military officer can properly participate in the planning of military strategy or proper application of our forces without clearly understanding the objectives and programs and actions of the Soviet Union and its satellites.

Those subjects are clearly discussed at our military schools, those that I mentioned here, and those of our other schools.

Senator MUNDT. But the emphasis is placed elsewhere on the inter-relationship of the political, economic, and military, is that correct?

Secretary McNAMARA. I don't believe that is meant by this sentence.

Senator MUNDT. That is why I suggested you might want, on second thought, in view of the heated discussions that are occurring on Capitol Hill, to make a little clearer presentation of what really are the points to be emphasized at these colleges?

Secretary McNAMARA. There are many points of emphasis, including, specifically, the political, economic, and military factors.

Of course, among the political factors are those which we have just discussed.

Senator MUNDT. Does this directive which precludes the military officers, as I understand it—I do not want to misstate it—as I understand, the February directive precludes or prevents military officers from discussing foreign policy at public meetings?

Secretary McNAMARA. That is correct.

Senator MUNDT. Does that also go so far as to preclude military officers with the same rank discussing at public meetings of the same type the nature of the cold war in which we are involved? Is that considered a matter of foreign policy, or is that considered a matter of military policy?

Can they address groups about the Communist menace and what kind of conflict we are in?

Secretary McNAMARA. I think it appropriate that civilian and military officials of the Department of Defense speak primarily on military policy and national strategy as it is affected by military policy. That they are encouraged to do.

Senator MUNDT. I am not quite clear in my own mind, if I were to receive that order and if I were a major or colonel, I would want to be pretty sure I was going along with the chief boss so I would do the thing right.

Am I permitted to go out and give a speech as a colonel about the nature of communism and the need for national defense and the need to maintain National Guard morale and to discuss the type of conspiracy that is launched against us by the people in Moscow, or am I simply to talk about military organizations and what we would do if war came?

Secretary McNAMARA. I think it would be quite appropriate if a major had recently returned from, or otherwise had been associated with certain of the problems in southeast Asia, for him to discuss the covert, and overt Communist aggression in that area, and to re-

late that to the need for military forces and the application of those forces by this Nation.

Senator MUNDT. But only in that area, not to talk about the fact that what happens in southeast Asia is also potentially likely to occur in the United States, so maybe we should keep our powder dry and be a little less critical of Congress voting additional moneys for national defense? Or perhaps why we should support the civil defense program because he is confronted with precisely the same kind of challenge and the same kind of Communist imperialistic totalitarianism that is impinging on the freedoms of Asia.

Could he go that far?

Secretary McNAMARA. As a representative of the Military Department, I think he should speak in public on matters he is directly responsible for or has a firsthand knowledge of and those are primarily military affairs.

Senator MUNDT. Is this not a global challenge? A challenge that we have in southeast Asia about which perhaps the fellow living in Kokomo, Ind., could not care less, but he is interested in what is apt to happen to the United States and whether this great juggernaut of disaster that is obliterating human freedom in southeast Asia might also some day jeopardize his pleasant life in Kokomo?

Secretary McNAMARA. The major we are speaking of might be equally concerned as I think he should be, about certain facets of the Soviet's economic process, but I would think it rather inappropriate for him to speak on those subjects.

The question of incentives, the question of management, the question of allocation of resources and the position of the price system in allocating resources in this country versus the Soviet Union, these are subjects of substantial importance to us, but I should not think the particular major should speak on them.

Senator MUNDT. In this overall type of cold war in which we are involved, in which policymaking is so important, I must say I would have to disagree with you because it seems to me that one great task we have is to develop the kind of morale and kind of support, and the kind of sacrifice on the part of people generally in a cold war that is required to win it, which we are always able to generate in times of a hot war and we win those.

This committee is primarily interested in developing the attitudes and the procedures in Government in cold wartime that will operate with the effectiveness and the efficiency in cold war that we get from Government in hot war.

But I do not believe you can operate these things a thousand miles apart. I do not think you can have the kind of policies in Government necessary to win cold wars unless we build up the morale and inform the people and enthuse our civilians as well as our troops.

If at the same time the military, most highly regarded and highly respected and most populous in numbers, is denied the right to do the things I have suggested they do in Kokomo, it seems to me we are trying to win the cold war with our hands tied behind our backs.

Secretary McNAMARA. On the contrary, I would strongly support the public discussion by civilian and military officials of the Department of Communist overt and covert aggression. I think it is in this way that we better understand what is taking place throughout the

world and the dangers we face and the need for our military forces and their possible application in relation to those dangers. This is the policy of the Department and it is being carried out so far as I know every day.

Senator MUNDT. It just has to be related to the problems and the projects and the people of America before you really are going to get our citizens excited. Beyond a certain point ones eleemosynary impulses get cold.

We are spending \$50 billion a year on national defense. If this is just a problem in Berlin and Asia, but has no relationship to us, if there are not any Communist cells here, if there are not Communist plots aimed in our direction, if we are not encompassed in the scheme of Communist overall world domination, \$50 billion is too much to spend just to save somebody else's sovereignty.

I think we have to go to our local people and make them realize we are on the target and make them understand the nature of communism.

I do not want to be critical, I have not read your directive, but I have read the discussions on the Senate floor and in the press.

May I conclude by urging you, for whom I have a great deal of respect insofar as your ability is concerned, and your courage and something else which is important, and that is your realism, I think you have it, not to get too squeamish because some liberal newspaper says, "Oh, you had better not be talking about communism because if you do somebody is going to relate it to some domestic political situation." That in my opinion is a lot of unadulterated eyewash. I think we have to face these challenges where they are.

Democrats and Republicans are joined in this battle against communism. I think we have to talk about it. I think the best people to talk about it are the people most highly respected. Those are the fellows with service stars on their shirts who have fought in the wars and who understand communism and can speak about it with authority.

It is not foreign policy, it is self-preservation to get the people to know that communism is part of an apparatus which functions and operates here with the same stealth and the same seductivity and the same purpose that it operates in Asia. The United States of America is as much part of the target as is Asia. It simply does not succeed here to the same degree and with the same speed because people here are alerted to it. I think part of the job at the Pentagon is to continue to see that they are alerted to it.

If some of your officers are interpreting, as I am led to believe they are, some new change in the Pentagon directive to sort of muffle or muzzle their efforts to do this job. I hope that careful review will make clear to them that this fight is being fought by everybody everywhere and they ought to be helping to lead the cheers of the civilian troops who want to get into the act and help understand and resist the Communist conspiracy.

Senator JACKSON. Senator Stennis.

Senator STENNIS. Mr. Chairman, unfortunately I had to leave and did not get to hear the Secretary's statement. I am very much interested in what I have heard and in the forthcoming executive session.

Thank you very much.

Senator JACKSON. Do you have any questions?

Senator STENNIS. I believe not, sir, at this stage.

Senator JACKSON. Mr. Secretary, I have one last group of questions.

Do you have any comments on problems you have had in recruiting the kind of people you need to do the job in the Department of Defense and do you have any suggestions as to what we in the Congress can do to make the job of obtaining people from outside the Government to work in the Government service easier, including any suggestions concerning existing regulations.

Secretary McNAMARA. I think we have been fortunate in the Department to recruit men of great ability, really outstanding Americans, to accept the Presidential appointments that we have allotted to us.

Some of those men you know, Mr. Hitch, who appeared before you, is one of them. He is an exceedingly able individual. He is typical of many others in the Department.

We have faced two problems. They are not at all unique to the Defense Department. I doubt that immediate action can or will take place to solve either one of them, but over time I think that we in the executive branch, working with the Congress, can make headway to eliminate them.

One of these is the level of salaries in the upper echelons of the Department. Generally speaking, these are far below the levels of similar positions elsewhere in our society.

As I say, we in the Department of Defense are not unique in facing this problem. Congress faces it, itself, in its own compensation.

The same problem is faced by other executive departments of the Government and the problem is faced by other institutions in our society.

But as the years go by it would seem to me we would be operating in the interest of the total nation if we were to raise the levels of compensation in the upper echelons of our National Government.

The second problem is related to conflict of interest. I personally believe that it is impossible almost to formulate regulations that are too strict in this area.

On the other hand, I think that those have been formulated, and some of them are frozen in law, are unrealistic and fail to accomplish their purpose.

I would suggest that the greatest single protection against an individual operating in a way that is the result of a conflict of interest is to insist upon full disclosure of his personal financial affairs and full disclosure of his prior and postappointment activities.

I do not believe we utilize full disclosure as a safeguard nearly as much as we should.

Instead, we rely upon other actions, divesting procedures and others, which I think are really quite ineffective at times and also cause undue hardships and act as handicaps in the recruitment of talent and competent personnel.

Senator JACKSON. Some of the rules are pretty arbitrary. As a matter of fact, the statutes that apply are almost a hundred years old. The concept of stock ownership a hundred years ago and its role in relation to control of the corporation was vastly different from what it is today.

Secretary McNAMARA. Exactly, and, moreover, the problems that result from conflicts of interest and from the restraints and restrictions and regulations relating to conflict of interest become much more serious and affect our national interest much more severely as the role of Government in our society increases.

Whereas the problem might well be resolved by the legislation in effect a hundred years ago, today, when we have the national budget equal to 20 percent of our total gross national product and when the Government's place in our national society is so much more important and its role so much fuller, the specific relationships of an individual to his past and his future and his present assignment deserves far more attention than they received a hundred years ago when that legislation was drafted.

Senator MUNDT. I like what you say. It is so true. Of course, this aggravates the whole problem of conflict of interest.

I think what you say about disclosure has merit. I was not clear from what you said whether you were suggesting that as a substitute for divestment or in addition to divestment, or another criterion to employ?

Secretary McNAMARA. I don't come before you today with a program to assure that conflict of interest will be eliminated without divestment procedures.

Senator MUNDT. Let me ask you in that connection—you had experience with a big corporation—a man would have to have a pretty big chunk of stock of one of our great corporations, would he not, before divestment would make much difference?

I cannot understand how a stockholder who has 1,000 or 2,000 shares of a gigantic corporation is going to profit himself very much. Certainly not to the point he is going to indulge in nefarious plays which would be culpable under an equitable code conflict of interest. Unless he owns a pretty good chunk of stock, it seems to me there should be a point where divestment could be employed.

If a fellow owned a whole company or half of it, all right, but if he owns 10 percent, I think it would be farfetched that a man would become a crook to help all the other stockholders.

Secretary McNAMARA. I think his percentage is the percentage of net worth represented by the particular stock, rather than the percentage of the corporation, but in either case, whatever standard is thought to be important, I believe disclosure is a far better protection, far better total and long-run protection than a requirement that he divest himself of the securities.

There are individuals in our Department who are prohibited from investing in 18,000 companies in this country.

Now, it is very difficult to recruit individuals for positions of that kind. If this were to continue in the future, well—

Senator MUNDT. Does that mean that the Government is now doing business with 18,000 or there are 18,000 potential customers?

Secretary McNAMARA. No, sir; it means in the Department of Defense we have a list of 18,000 companies from whom we buy directly \$10,000 or more in services or materials in a particular year and by law and the interpretation of that law certain individuals in our Department are prohibited from investing in any one of those 18,000 companies.

As you can imagine, it is an exceedingly onerous burden for those individuals to carry.

Senator MUNDT. How far can you carry that? Can they marry into the families of those companies?

Secretary McNAMARA. This is a very interesting irrational application of the law. Not only can they marry into them, but through their wives, children, and relatives deal in the securities of those firms.

Senator MUNDT. It makes an impossible thing to enforce obviously.

Secretary McNAMARA. Exactly.

This is why I place so much emphasis on disclosure.

Senator JACKSON. I think you have raised a very important point and a very helpful one. Certainly, when we get into a hot war, we get all these people down here and the statutes are all waived. We are in a war that is a long drawn out one and it seems to me that we are going to have to make some substantial changes in the conflict-of-interest statutes to bring them up to date so that they can serve their real purpose.

The purpose, of course, is to make sure that dishonest people do not get into government and operate in government.

The fact that a man sells his stock, if he were dishonest to begin with, is not going to make him honest. And vice versa.

At seems to me that we are operating under some very archaic laws that are working against the public interest. We are involved in a fateful struggle with the Soviet Union and we need to get the best people.

Are there any further questions?

The Chair would like to announce that on August 17 Donald K. Price, Jr., dean of the Graduate School of Public Administration, Harvard University, will be our witness at 10 a.m., and the following Thursday, the Secretary of State, Dean Rusk, will be the concluding witness in this series of hearings.

Under the rules of the committee, we will adjourn to an executive session to take testimony from the Secretary of Defense on the National Security Council.

We will convene in the Interior Committee library, room 3112.

Mr. Secretary, I want to express the appreciation of all the members of this committee for the excellent testimony you have given us this morning. It will be most helpful.

Secretary McNAMARA. I am very grateful for the opportunity to meet with you. Thank you.

(Thereupon, at 11:45 a.m., the subcommittee proceeded into executive session.)

Congressional appearances of Secretary of Defense McNamara, Jan. 20 to Aug. 1, 1961

Date	Number of hours	Congressional committees
Feb. 16.....	1.5	Department of Defense Subcommittee, House Appropriations Committee.
Feb. 23.....	5.0	House Armed Services Committee.
Feb. 27.....	1.5	Space Committee.
Apr. 4.....	6.0	Senate Armed Services Committee.
Apr. 5.....	6.0	Do.
Apr. 6.....	4.0	Department of Defense Subcommittee, House Appropriations Committee.
Apr. 7.....	4.0	Do.
Apr. 10.....	1.5	Do.
Apr. 11.....	5.0	House Armed Services Committee.
Apr. 18.....	5.0	Department of Defense Subcommittee, Senate Appropriations Committee.
Apr. 28.....	1.0	Government Procurement Subcommittee, Senate Small Business Committee.
May 31.....	4.5	Department of Defense Subcommittee, House Appropriations Committee.
June 8.....	3.0	House Foreign Affairs Committee.
June 14.....	6.0	Senate Foreign Relations Committee.
June 29.....	2.0	Foreign Operations Subcommittee, House Appropriations Committee.
July 26.....	4.0	Department of Defense Subcommittee, Senate Appropriations Committee.
July 27.....	3.0	Senate Armed Services Committee.
July 28.....	3.0	House Armed Services Committee.
July 31.....	6.0	Department of Defense Subcommittee, House Appropriations Committee.
Aug. 1.....	2.5	House Government Operations Committee (Civil Defense).
Total 20 (days).....	74.5	

ILLUSTRATIONS OF PROGRAM COMMITMENTS

POLARIS (Navy)

The currently approved program for Polaris calls for 29 operational submarines by fiscal year 1965. At present 5 submarines have been deployed at sea with 16 missiles each, and 1 more submarine is to follow during this fiscal year.

A total of about \$7 billion has been appropriated for the Polaris program To reach the currently approved objective of 29 operational submarines by the end of fiscal year 1965 will require approximately \$1.7 billion in fiscal years 1963-64 for R. & D. and investment, in addition to annual operating expenses.

There is presently under consideration a Navy proposal to increase the Polaris ready-for-sea force to 45 submarines in fiscal year 1966. This increase would require funds, in addition to those above, of about \$2.3 billion in fiscal years 1963-64, with further funding in later years.

The atomic reactor for the Polaris submarine involves a lead time of many months prior to ready-for-sea date, and a similar leadtime is required for procurement of propulsion machinery. Submarine construction must also begin many months prior ready-for-sea. A decision to go beyond the current 29-submarine program and to have additional submarines operational as soon as possible requires some funding for long leadtime items in 1962, substantial increases in investment funding in the 1963 budget, now in the first stages of preparation, and more in 1964.

MINUTEMAN (Air Force)

The currently approved program for the hardened and dispersed Minuteman is 12 operational squadrons (600 operational missiles). Missiles are already in production for R. & D. purposes, and the first squadrons are scheduled to become operational by the end of fiscal year 1963.

The original development plan for Minuteman was approved in 1958, and the program was accelerated in June 1959. The first fully guided launch took place in February 1961, and the first silo launch is scheduled for late August 1961. Systems compatibility tests and SAC operational readiness training are scheduled. All of this has taken place or is scheduled under the currently authorized program.

Through fiscal year 1961 approximately \$1.5 billion had been obligated for the Minuteman program. Attainment of the currently approved objective of 12 operational squadrons will require funds in addition to approximately \$5 to \$10 million per squadron per year for recurring annual operating expenses.

In anticipation of possibly enlarged Minuteman forces provision was made in a 1962 budget supplement to double production capacity.

Among critical leadtime items in the minuteman program are the selection, acquisition, and construction of the missile sites and certain hardware components.

TRANSIT (Navy)

Transit is a precision, all-weather navigational satellite system designed to permit submarines, surface ships, and aircraft to passively obtain accurate periodic fixes on their positions. Three experimental satellites are now in orbit, and feasibility has been established. Development of the Transit system began in ARPA in 1958.

The current schedule calls for launching an operational prototype satellite in March 1962. Launching of fully operational systems will begin in October 1962 and continue at the rate of 3 per year. Under this schedule, procurement of operational launch vehicles will begin in March 1962, and ground stations and survey ships will be activated in November.

Submarine navigation trials will also begin in November 1962, with the submarine navigational system fully operational early in calendar year 1963. The system will become operational for surface ships in mid-1963, and for aircraft by the end of that year.

Funding for this program may approximate \$124 million over the time period 1962-67.

C-141 TRANSPORT (Air Force)

The C-141 is a heavy, versatile transport to be powered by turbofan jet engines. It will combine the extremely high performance of a modern jet transport with ease of loading, relative simplicity, and bulk cargo capability well beyond that previously available. For the first time there will be a range/payload capability that will permit nonstop unrefueled flight over the Atlantic or the Pacific. In addition, it will have airdrop capability and relatively modest airfield requirements. In general terms, it is expected to provide substantially more airlift capability than the aircraft it will replace.

The currently authorized program is for research and development only and involves the production of a few test aircraft. The intention is to develop an aircraft within 1961-63 state of the art of airframe and engine technology. Since R. & D. success is reasonably assured, a proposal is now being considered to plan for an initial operating capability in mid-1965. This will require production decisions to be made now which would be reflected in the 1963 budget as well as subsequent ones.

Under such a combined R. & D. and production program significant milestones which must be planned for and met would be approximately as follows: November 1960, development directive issued; April 1961, initial letter contract signed; August 1961 to September 1962, final design released; January 1962, mockup inspection; October 1963, first flight; October 1964, beginning of production run.

STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

MONDAY, AUGUST 7, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 11:55 a.m., in room 3112, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Mundt.

Present also: Senators Stennis and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick and Brewster C. Denny, professional staff members; and Rod-
erick F. Kreger, and minority counsel.

Also present: Charles E. Johnson, National Security Council staff.

Senator JACKSON. The subcommittee will come to order.

Mr. Secretary, Mr. Robert Lovett emphasized to our subcommittee last year the need for "constant, close, and sympathetic cooperation" between the Departments of State and Defense. He said, "The tone of the cooperation must be set by the two Secretaries."

Mr. Secretary, would you tell the subcommittee what you are doing to strengthen the State-Defense partnership, particularly in relation to the NSC? In the public session today you mentioned your close working relationship with Secretary of State Rusk. Would you now discuss this in connection with the National Security Council?

Secretary McNAMARA. Yes. I think the relations between the Departments to the National Security Council is simply an extension of the relationship I mentioned earlier, which is carried out (a) by a close personal relationship between Dean Rusk and myself and a feeling of mutual respect as between us, and (b) by each of us having stated to all of the personnel in our Departments that we expect each of them to work with their counterparts in the other Department within the limits of our approved Department of State and Department of Defense policies to the closest degree possible and to make whatever decisions need to be made on their respective affairs within those limits of policy.

Now, this appears to be a change, evidently, from what has existed in times in the past. There are no curtains, iron curtains, paper curtains, or any other kind of curtains between the Departments on any echelon. On a day-to-day basis, this results in expeditious action, and I believe an entirely satisfactory working relationship at all echelons.

relates specifically to the National Security Council affairs, it is only an extension of this day-to-day process. There are times when the President assigns to either the Secretary of State or the Secretary of Defense a particular project for that officer to develop and report back to the President for discussion before the National Security Council. Even prior to the time the President makes a decision on recommendations, such projects frequently involve the other departments.

Mr. Rusk's practice, as it is mine, in the development of our recommendations is to solicit the recommendations and advice of the parties affected. In this particular case, I would solicit the views of Mr. Rusk or his designee. He, in turn, if the project were assigned to him, would solicit my views or the views of my associates.

Mr. JACKSON. So that there is a close working relationship, not only at the secretarial level, but also below the secretarial level?

Mr. McNAMARA. Yes. We would bottleneck our affairs and insist that the working relationship between the two Departments flow through us. We realize that, and, therefore, even before we are formally appointed we agreed we would foster and sponsor a working relationship at all echelons within the Departments, and that we would do so.

Mr. JACKSON. In addition to the formal NSC meetings, do you have panel or subcommittee meetings of the NSC with the President and the Secretary of State?

Mr. McNAMARA. Yes. There are frequent meetings of the NSC with the Secretary of Defense and the Secretary of State and their key associates, frequently the Chairman of the Joint Chiefs of Staff and personnel from the Department of Defense and similar personnel from the Department of State.

Mr. JACKSON. You find that this method is quite helpful in dealing with certain types of specific national security problems?

Mr. McNAMARA. Yes.

Mr. JACKSON. In other words, in this way you can deal with a number of problems which perhaps you would not want to bring before the NSC?

Mr. McNAMARA. Yes. I wanted to emphasize that frequently it is easier and more practical to deal with a matter in a small group than in a larger group. These meetings between the President and the Secretaries of State and Defense serve that purpose.

Mr. JACKSON. Do you feel that Defense and the services are now getting adequate political guidance from State?

Mr. McNAMARA. Yes, I do. Then I would qualify that statement by saying that political guidance in the world in which we live is a very difficult thing to give and must be so and it is extremely difficult for any other Department to predict with any accuracy the situation that we will face a year or 2 or 5 from now. We in Defense realize that and are quite willing to adjust our plans as the guidance changes, as it must.

Mr. JACKSON. This administration has eliminated the NSC Planning Board. How does Defense now work with the other Departments and agencies in preparing the position papers and in staff- ing the papers, in other words, in doing the sort of thing that was done by the old Planning Board?

Secretary McNAMARA. I would like to see the individual or Departmental position on a particular project. It has been assigned to the Secretary of State or the Secretary of Defense or the Secretary of the Government.

In my particular case, I am preparing a plan in the Department of the State. I have discussed my views on my staff and we therefore have stated.

If, on the other hand, I have accepted his views, I would present them rather than present Mr. Rusk's hold.

Senator JACKSON. Secretary McNAMARA. Senator JACKSON. I would like to see the position paper on your staff work. Secretary McNAMARA. I would like to see the position paper at hand.

Senator JACKSON. Together, prepared a proposal in regard to the minds as between the two Departments put in writing.

Senator JACKSON. Alternatively, we may study the other Department. I am signing an agreement with the assigned the force which Rusk and I reject, or may reject.

Senator JACKSON. The position has moved to the level and upon the Department.

Secretary McNAMARA. I am approaching a variety of their experience with effective group work. I am not sure if it is worth the effort.

Senator JACKSON. Some of the worthless. Senator McNAMARA. I am not sure of any of the things in the Department in the Secretary's office.

Secretary McNAMARA. The President assigns to a particular individual or Department the responsibility for preparing a plan in relation to a particular requirement. That individual to whom the task has been assigned is responsible for obtaining the views of others in the Government who are affected by the plan.

In my particular case if he assigns to me a responsibility for preparing a plan in relation to a certain situation I recognize the interest of the State Department in that matter and solicit from Dean Rusk his views on my plan. If he accepts the plan or if I accept his views and we therefore present to the President a unanimous position, it is so stated.

If, on the other hand, his views differ from mine and I do not accept his views, I don't seek to try to find a common denominator but rather present to the President my recommendations and state that Mr. Rusk holds contrary views and they are these.

Senator JACKSON. So you give him the hard alternatives.

Secretary McNAMARA. Exactly.

Senator JACKSON. How do you go about preparing the particular position paper? In lieu of the Planning Board do you have some of your staff work with the staff from State?

Secretary McNAMARA. The specific approach depends on the matter at hand. In certain instances Mr. Rusk or I will call a group together, present a proposal, obtain their views, modify the initial proposal in relation to those views, come to an agreement in our own minds as between us as to the course of action to be followed and then put in writing the matter under discussion.

Alternatively, if the matter is more complex and requires more study we may assign the task to one of our subordinates and ask that the other Department participate formally in the discussion by assigning an individual to work with our subordinate to whom we have assigned the primary responsibility, in effect, setting up a small task force which task force studies the matter, presents in writing to Mr. Rusk and to me their recommendations which we then either accept, reject, or modify.

Senator JACKSON. You mentioned a task force. This administration has made considerable use of task forces, both at the Presidential level and within the departments. I wonder if you would comment upon the role and operation of task forces from the standpoint of the Department of Defense.

Secretary McNAMARA. They are a very useful, effective way of approaching a complicated problem and insuring that people with a variety of interests and points of view and experience bring to bear their experience upon that problem and upon its solution. They are effective if they are properly directed, if they operate as a working group with a director and a responsible leader. They are not effective if they turn into a leaderless committee-type organization. Some of them do take that form in which case they prove to be worthless.

Senator JACKSON. In other words, they can suffer from the failings of any other committee, especially those you alluded to in your statement in the public session this morning.

Secretary McNAMARA. Exactly.

Senator JACKSON. As the NSC is now operating, do you feel that the President is presented with the clear-cut choices he needs in order to exercise his constitutional responsibility?

Secretary McNAMARA. Yes; I do.

Senator JACKSON. And are they adequately staffed out?

Secretary McNAMARA. Yes; I do. I would say this: To the extent that he isn't, and occasionally he does not, the fault is not the fault of the system but rather the fault of the particular individuals. We will always have failures of individuals in a particular assignment and we sometimes do in the National Government. But I attribute this to human frailty rather than weakness of the organizational structure.

Senator JACKSON. It would happen in any organization.

Secretary McNAMARA. Yes. It does not happen very often. When it does happen, I will say he is receptive and realizes it is happening and insists that it may be redone and other alternatives presented.

Senator JACKSON. This administration has abolished the Operations Coordinating Board. Do you feel, as Secretary of Defense, that satisfactory arrangements have been made, and are being made for policy followthrough?

Secretary McNAMARA. Yes. Here again I do not mean to say that all followthrough is perfect, but the arrangement of the organizational structure and organizational procedures are in my opinion entirely satisfactory. They are simply to assign to a particular individual specific responsibilities and then followup by the White House or NSC staff of the action the individual takes to carry out that responsibility. To me that is the proper way of operating.

Senator JACKSON. In other words, it gets back to personal responsibility. There is an action officer who is held responsible and the department is responsible?

Secretary McNAMARA. That is correct.

Senator JACKSON. So that authority is pinpointed.

Secretary McNAMARA. Then there is followup by members of the President's own staff of the extent to which that individual or department carries out that responsibility.

Senator JACKSON. What steps have you taken to insure that budget decisions will be properly related to policy decisions? In other words, if an agreed-upon policy is worked out at the NSC level, what followthrough is there to make sure that the Department of Defense will have the necessary ability to implement the decision?

Secretary McNAMARA. I consider the budget nothing more than and nothing less than the quantitative expression of a plan or a policy.

So in developing the budget I propose to start with the plan or the policy and translate it into quantitative terms, terms of benefit and cost. This you might contrast with a budget that starts without any specific policy or plan but is based on meeting a specific dollar ceiling.

We are not starting that way. We are starting with the policy or the plan as the case may be and developing a quantitative expression of that in terms of our military force levels and military requirements.

Senator JACKSON. In other words, what you are trying to do is work out a long-range strategic plan and make sure that the budget decisions you make reflect the objectives in the plan.

Secretary McNAMARA. Yes; exactly so.

Senator JACKSON. Do you feel that progress is being made in that direction?

Secretary McNAMARA. I do.

Senator JACKSON. What do you think are the most important as yet not satisfactorily solved problems in the present mode of operating the National Security Council? What are the areas where more needs to be done to improve the operation of the system?

Secretary McNAMARA. I think the passage of time will result in smoother operation within the limits of the present organizational structure and present procedures. As you might expect, a new administration with but 6 months' experience behind it frequently finds rough spots in the application of a particular procedure to policies.

Individuals may have failed to clearly understand their instructions or may not have had sufficient experience to carry them out. On the whole, it is my personal opinion that the present procedures and organizational structures are functioning very effectively, but I realize that occasionally, as is true in most organizations, particularly large organizations, there are gaps and omissions resulting, as I say, primarily from failure on the part of particular individuals to carry out the task assigned to them.

I don't believe the solution for that problem is a change in the procedure or the organizational structure, but rather either a replacement of the individual or a more careful training of that individual.

Senator JACKSON. Or a better formulation of the written decision that has been made or the instructions to the individual.

Secretary McNAMARA. Yes.

Senator JACKSON. It is important that you have clear-cut policy statements in writing once a decision has been made.

Secretary McNAMARA. Yes.

Senator JACKSON. Senator Mundt?

Senator MUNDT. As I interpret your explanation, Mr. Secretary, the main change in procedure which has come in with the new administration is a tendency to rely more upon interdepartmental coordination and task forces as against hammering these decisions out at meetings of the National Security Council. Is that correct or incorrect?

Secretary McNAMARA. It is difficult for me to state the main change by comparing present and past practices, because I really am not very familiar with past practice, other than what I have read of them.

But I would say the main change in my mind is a reliance on individuals, specific individuals, rather than on groups of individuals, reliance on the individual to develop a plan and reliance on the individual to carry out that plan in contrast to reliance on a committee to develop a plan and in contrast to reliance on a committee to monitor the action under the plan.

Senator MUNDT. But as the procedure has operated, has it not resulted in a substantially fewer number of National Security Council meetings over the passage of time, than was previously true?

Secretary McNAMARA. Again, I cannot speak with authority on the number of meetings because I have not seen a quantitative comparison of the number of meetings during the first 6 months of this administration, for example, and some comparable period of past administrations.

The National Security Council meetings are now held frequently but irregularly; irregularly in the sense that they are scheduled to meet in connection with particular problems at particular times. Sometimes there will be three meetings in a week and other times maybe only one meeting in 2 weeks. The President has spoken of the advisability of meeting at least once in 2 weeks. But how this compares with the past, I cannot really say.

Senator MUNDT. Are you sure under this system the President gets into the participation of these decisions as fully and as early as would be the case if he were confronted with differing points of view rather than a consolidation of a point of view between the different departments which had taken place before he gets into the discussion?

Secretary McNAMARA. It is my belief, under this new system, he is confronted with more alternatives and more differences in points of view than under the old. Again, I am speaking in part from hearsay, but under the old system it was my impression, in examining some of the papers, I believe it is fair to say that the committee system led to an attempt to achieve a unanimous position.

In order to accomplish this it was frequently necessary for particular parties to dilute their proposals and points of view down to what might be called the lowest common denominator and this was presented to the President as an agreed-upon position.

In contrast to that, today the responsibility is assigned to a specific individual, the Secretary of Defense or the Secretary of State or the Director of the CIA or some other specific party, who is responsible for preparing a recommendation, his own recommendation, and for reviewing that with the other parties concerned and obtaining from them either agreement to his position or alternatively, a statement of their position and in the latter case the conflicting views are presented to the President.

Now, it seems to me this system, therefore, presents the President with more choices and a better understanding of the differences of view than did the previous system. I qualify my remark by saying I can't speak with authority on the previous systems.

Senator MUNDT. When there are differences, is it at the National Security Council level that the differences are discussed?

Secretary McNAMARA. Yes. They are discussed initially by the parties that differ, but then presuming the parties don't change their views, those differences and views are discussed with the President at the National Security Council level or conceivably at what you might call, what I believe the chairman referred to as the subcommittee level in the National Security Council, where a group of some of the members of the National Security Council meet with the President and discuss the issue.

Senator MUNDT. When it is discussed at the National Security Council level, you bring into focus not only the independent judgment of the President but I would assume other representatives who attend the National Security Council who did not participate in the task force operations or in the interdepartmental operation?

Secretary McNAMARA. Yes; that is true.

Senator MUNDT. So that you have more heads operating.

Secretary McNAMARA. Yes.

Senator MUNDT. Which to me is one of the advantages of the National Security approach, because we need the best judgment of the best people we can get. Sometimes somebody not connected with Defense or with State directly, looking at it as an umpire or as a judge, if there are three, four, five, or six of those fellows, it seems to me you have a better chance of coming up with a composite judgment.

Secretary McNAMARA. It seems to me that is right. It would seem to me you have a better chance of having the views presented to the Council instead of having the lowest common denominator hammered out by the Planning Board.

Senator MUNDT. When you start out with your budget procedure at the beginning, do you get any indication at all from the Bureau of the Budget as to what your slice of the pie is to be or how much it is to be or do you just start out with an open-end program?

Secretary McNAMARA. At the beginning we start out with an open-end program. Unless that seems completely irresponsible, we proceed every step of the way to recognize the costs associated with a particular program of action and eventually pull the entire set of programs together in a total financial budget.

Senator MUNDT. At that point, does the Bureau of the Budget have any impact on the Defense budget?

Secretary McNAMARA. The Budget Bureau works with us from the very beginning in analyzing the courses of action we propose to follow and in particular in analyzing the costs we ascribe to a particular course of action. For example, we propose to retain B-47 wings on active duty, wings that had been scheduled for deactivation.

For that we estimate a cost of X. The Budget Bureau will have been working with us during the review of our strategic forces. They will have participated in the discussions that led to our conclusions that we should retain those wings but they will play their strongest role at the point they say, "You believe it will cost X to obtain these things. We feel it will cost X minus Y because you estimated flying hours in excess of whatever is required to obtain readiness of the crews. You have planned to procure spare parts in this volume. We believe that in relation to past experience you would be able to support those forces with a lesser volume of spare parts usage. You propose to provide this amount of money for travel of these individuals. We think that, based on our records, you should be able to operate those particular forces with a lower level of travel expenditures."

The Budget Bureau is constantly at work with us on these particular aspects of our operations but they would play a lesser role in determining whether we should or should not retain those wings.

Senator MUNDT. On another subject, in your presentation paper this morning you referred to a new intelligence function or division.

Secretary McNAMARA. Yes.

Senator MUNDT. Is this a new name for an old function or is this a new function?

Secretary McNAMARA. This is a change in our organizational structure as a result of which we will establish approximately October 1 an agency known as the Defense Intelligence Agency reporting to me through the Joint Chiefs of Staff, which Agency will consolidate certain of the intelligence functions now performed by the

three military departments, functions which, in part, duplicate each other and overlap. It is to avoid that duplication and eliminate the overlapping that we are proposing to establish this central agency.

Senator MUNDT. Does each of the three services maintain its own independent intelligence or separate?

Secretary McNAMARA. To the extent that each service has needs unique to its own operations it will continue to maintain certain limited intelligence activities. For example, the technical intelligence of the services is an activity which is very important to them in the research and development of their weapons systems and very probably the technical intelligence activities unique with the services will remain with the services.

It is not entirely clear how far we should go in moving intelligence activities out of the services into the central agency. This we will have to face as we move further into the development of the organization.

Senator MUNDT. Does this have any impact on CIA?

Secretary McNAMARA. No, none. We are dealing only with intelligence functions of the Department of Defense.

Senator MUNDT. In other words, any political intelligence you pick up is coincidental?

Secretary McNAMARA. That is right.

Senator MUNDT. That, I suppose, would be relayed to the CIA?

Secretary McNAMARA. It would, and there would be no difference in the handling of that item of intelligence in the future as contrasted with the past.

Senator MUNDT. There would be, I would hope, at some level, some coordinating agency where you intermix whatever intelligence the CIA picks up of special interest to the Defense. Very conceivably your intelligence service might pick up some political information that is important to them.

Secretary McNAMARA. It would be, and this would be done in the Defense Intelligence Agency. Information that comes to us from CIA that has Defense implications would be mixed with our intelligence in the Defense Intelligence Agency. We, in turn, would funnel into CIA information that we have that would be of benefit to CIA. This practice is being carried out today.

Senator MUNDT. That is all, Mr. Chairman.

Senator JACKSON. Senator Stennis?

Senator STENNIS. Thank you, Mr. Chairman. I was interested, too, in the statement that the Secretary made about this Defense Intelligence Agency. In the Armed Services Committee we are constantly having to authorize construction projects all over the world for all three of the services.

There is a duplication of manpower and construction expenditures and all. Now it seems you are going to coordinate that.

Secretary McNAMARA. Yes. One of the real reasons for it is exactly the point you have mentioned, the possible duplication of equipment and personnel among the services in the intelligence activities.

Senator STENNIS. Yes. You think no sacrifice would be made to the effectiveness of getting the information on this?

Secretary McNAMARA. We do not believe that our intelligence activities will in any way be weakened. I believe in the long run

they will be strengthened by this consolidation. There were some divergent views on that point. We carefully considered them. I believe it is practically unanimously held today that this new organization will act over the long run to strengthen rather than weaken the intelligence activities. We have carefully discussed this with the President's Foreign Intelligence Advisory Board and the Joint Chiefs of Staff, and we have the complete support and concurrence of both groups.

Senator STENNIS. I see you say fully indorsed by the Joint Chiefs of Staff.

Secretary McNAMARA. Yes.

Senator STENNIS. So they really surrendered any previous feelings about it? I am not talking about individuals. I mean over the decades, and they have gone into this wholeheartedly?

Secretary McNAMARA. Yes. One of the reasons, of course, is that we propose that this new Agency operate under the direction of the Joint Chiefs of Staff so they will have full opportunities to shape its operation.

Senator STENNIS. Briefly, and as best you can, just where do the military intelligence activities stop and the CIA begin? I know there is no direct line, but Senator Mundt referred to the political information that came in through your channels which would naturally be channeled over to CIA. Is there any directive or any clear-cut understanding between those two?

Secretary McNAMARA. Yes. In very general terms, the military intelligence is related to carrying out of specific military missions which means that we must have information on the location of military installations. We must have information as to the quantity of weapons and the order of battle of the opponent's forces. Those three categories constitute a great bulk of our military intelligence.

Senator STENNIS. When President Kennedy returns from an overseas trip, he is bound to have a lot of impressions. I am hopeful he would bounce them against your mind and you would bounce them back against his and without the formality of staff or anything else. Does that happen sometimes?

Secretary McNAMARA. Yes, definitely so.

Senator STENNIS. Not at specific intervals, but on any major problems?

Secretary McNAMARA. It happens on almost all major problems but in most cases the opinions, and I think quite properly so, are solicited and given only after thought has been devoted to the matter. These questions are so complex and so difficult that one's immediate reaction may not be the best reaction.

Therefore, while there might be a preliminary discussion, more often than not, the preliminary discussions are followed by a final discussion with several days intervening between the two, to permit more thought and study to be given to the matter.

Senator STENNIS. When it comes time for action the President alone can speak. I was once a trial judge. The worst part of it is you have no one to confer with. You make a decision there that may take a man's home from him or some other part of his fortune, his life, his freedom.

Secretary McNAMARA. That is one of the great advantages of this NSC system.

Senator STENNIS. I do not think the President of the United States has a chance to make sound decisions unless this thing is knocked around a lot and discussed. So you do have that kind of session after you have had time to reflect.

Secretary McNAMARA. Yes, indeed.

Senator STENNIS. I believe that is all.

Senator JACKSON. Your point is excellent, Senator Stennis. As a judge you have a statutory and constitutional responsibility to make decisions. The President has a constitutional responsibility and he alone must make certain decisions. But the NSC process, properly utilized, makes it possible for the President to weigh all the arguments.

As a judge you have a chance to listen to the arguments in court but a lot of restrictions are placed on you. After you have completed the case, you might like to get the information that you can't get and it is too late, and you have to make a decision.

Senator STENNIS. Yes.

Senator JACKSON. But it seems to me this NSC process, properly utilized, makes it possible for the President to get all the alternatives.

Might I ask one question before turning to Senator Bush?

I take it that there have been quite a number of these informal meetings of portions of the NSC membership that have some relevant right to be heard. The President, therefore, may not be calling as many formal NSC meetings of all of the members provided for by law. But as I see it the NSC process is still at work when one or two or more Cabinet officers make presentations to the President and then decisions are reached.

Secretary McNAMARA. Yes. The parties primarily interested in all these decisions are the State Department, the Defense Department, CIA, the President and the President's staff assisting the President. Very frequently a group composed of representatives such as I have outlined will meet to discuss an issue. Whereas, the meeting might be called informal it is not informal in the sense that preparation did not precede it but informal only in the sense that it is not a statutory body. It is the President's view as it is mine, that one should not express an offhand opinion on an issue of a great national or international importance and therefore the meetings that he holds are preceded by very careful preparation on the part of the people present who are advising him and recommending to him particular courses of action.

Senator JACKSON. Senator Bush.

Senator BUSH. Thank you, Mr. Chairman.

Senator Stennis opened up the area of questioning that I wanted to raise. Frankly, I have been somewhat mystified by the National Security Council for years. I know that the Secretary of Defense, the Secretary of State, and CIA, and a few others are on the Council, but how big an organization do they have down there to support this Council?

Secretary McNAMARA. The President has a Special Assistant for National Security Affairs, McGeorge Bundy. He has a small number of people working for him, who provide a secretariat and followup

function. The Council serves as a formal mechanism for bringing together the parties in the Government who can appropriately advise the President on specific issues.

Senator BUSH. Does the Security Council have regular meetings or are they called from time to time?

Secretary McNAMARA. They are called frequently but irregularly, depending upon the issues and problems to come up.

Senator BUSH. You do not have a day each week that is set aside?

Secretary McNAMARA. The President desires to hold at least one meeting every 2 weeks and has set aside alternate Thursdays for that purpose.

Senator BUSH. I have no other questions.

Senator STENNIS. I just want to follow up a thought there.

It is my impression that since World War II, the Truman and Eisenhower administrations and the present administration, have used the National Security Council in place of the old-fashioned Cabinet meeting for national security matters.

Secretary McNAMARA. I understand that there were other bodies in existence before the NSC. Perhaps the chairman could speak more authoritatively than I. I believe at one point there was a council consisting of the Secretaries of the military departments, meeting with the President and Secretary of State.

Senator JACKSON. Senator Stennis, I think it is fair to say that we have always had a National Security Council. From the founding of the Republic the President would call in the Secretary of State, the Secretary of War, and the Secretary of the Navy which were the departments that could help him make up his mind on what he should do.

Essentially, the National Security Council, as we know it today, is a codification of our World War II experience—it is based on the experience of such wartime groups as the Combined Chiefs of Staff and the State-War-Navy Coordinating Committee. With that experience as a background the Congress passed the National Security Act in 1947 setting up the National Security Council.

Sometimes people think the National Security Council is an agency separate and apart from the departments of Government. But as I understand it, the National Security Council is essentially the Cabinet members who have responsibilities in the national security field. Also included by law are the Vice President, and, as statutory advisers, the CIA and the Chairman of the Joint Chiefs of Staff.

Secretary McNAMARA. And the Director of OCDM is a statutory member.

Senator JACKSON. And the Director of OCDM.

The National Security Council serves only as an advisory body to the President. It is a means which the President uses, if he wants to and in whatever way he wants to, in getting the information that he needs in order to make the decisions which are his responsibility under the Constitution.

Is this in general right?

Secretary McNAMARA. Exactly. It is a forum which has been provided and recognized by law in which the appropriate parties of the Government may discuss their views on matters on which the President will shortly make a decision.

Senator JACKSON. It may not always be wise to call in the whole statutory group when you have a matter before you that only involves part of the group. Some information needs to be closely held, and there would be no point in bringing this before a large group of people if the President feels he can get the advice he needs from particular individuals involved. The NSC is a flexible instrument which the President can use for his benefit.

Senator BUSH. Does the President's staff attend as well as your staff?

Secretary McNAMARA. Yes, and frequently the other Chiefs as well.

Senator MUNDT. Out of the experience, Mr. Secretary, of the unfortunate Cuban situation you mentioned to Senator Bush innumerable meetings had been held. Now looking at it in retrospect from the outside, it would appear someplace along the line inadequate coordination, inadequate information must have been involved. My question is, out of those experiences involving the whole Cuban procedure have any changes been made which would tend to prevent or preclude the possibility of that type of lack of fully coordinated effort should some similar situation develop in some other place in the world? Have we learned anything procedurally as a consequence of the Cuban invasion?

Senator JACKSON. I think we do not want to get into the substantive matters on the Cuban thing but any answer relating to machinery of the national security process is all right divorced from any substantive matter.

Secretary McNAMARA. I think it is clear that the President has appointed a military representative following the Cuban episode and this in part I think is a recognition of the need for close day-to-day coordination between the affairs of the CIA and the Department of Defense and the Department of State and relate one to another.

The machinery, however, for the National Security Council I think is much the same today as it was then. As I have said, I believe it has functioned quite satisfactorily. I think that, as you might expect in any large operation, an organization and set of procedures will function most effectively with the passage of time. The longer the period of time that people have participated with them and are familiar with the operational procedures and working habits of one another, the more effectively they will operate together.

I think this committee has properly emphasized the importance of Presidential appointees remaining in their posts for as long a time as the President wishes them to do so. It is this in my opinion, rather than any change in procedure, that will lead to the greatest effectiveness and efficiency on the part of the governmental operations.

Senator BUSH. Mr. Secretary, maybe this is not an appropriate question but when General Taylor was appointed I think there was some concern among some of us what effect this might have in the relationship between yourself and the Joint Chiefs and the President, especially those of us who had worked on the National Defense Reorganization Act 2 years ago.

I have rather resolved those fears in my own mind but I wonder, in view of statements I have seen concerning evaluation processes of the CIA and a plan under discussion, we are told, to have a separate evaluation organization or person rather than let them evaluate their

own findings and intelligence, whether it was not a part of the intention of the President in appointing General Taylor, in setting up that post, that that be done.

Is that anything you care to comment on or not?

Secretary McNAMARA. I really can't speak with any authority on this field because we are getting in matters of CIA, but I think the two are somewhat unrelated but I should not speak with any authority on the matter because these matters you are speaking on now are matters almost solely related to CIA.

Senator JACKSON. Are there any further questions?

Mr. Secretary, again we want to express our appreciation to you for your very fine and forthright presentation on matters relating to the National Security Council. It has been most helpful.

Secretary McNAMARA. I very much appreciate it indeed. I have a debt of gratitude to pay.

(Whereupon, at 12:45 p.m. the subcommittee was adjourned to reconvene at 10 a.m., Thursday, August 17.)

STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

THURSDAY, AUGUST 17, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room 3302, New Senate Office Building. Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson and Muskie.

Also present: Senators Stennis, Clark, and Cooper.

Staff members present: J. K. Mansfield, staff director; Robert W. Tufts, chief consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, minority counsel.

Senator JACKSON. The subcommittee will come to order. Today we continue the final phase of hearings in our nonpartisan study of how the Government can best organize and staff itself to make and execute national security policy.

This set of hearings is focused on the central problems of organization for national security. We are taking testimony on the problems of policy planning and management by the Departments of Defense and State and by officials at the summit of the Government.

We are fortunate to have with us this morning Don K. Price, Jr., dean of the Graduate School of Public Administration, Harvard University.

Dean Price is uniquely qualified to give expert testimony on the philosophy and patterns of top-level national security policymaking. He served as a member of President Eisenhower's Advisory Committee on Government Organization. He is now an adviser to President Kennedy on major issues affecting the structure and operations of Government.

Dean Price is a gifted teacher and author. Of particular interest to this subcommittee are his pioneer study "Government and Science" published in 1954, and the American Assembly volume to which he contributed and which he edited last fall entitled: "The Secretary of State."

Dean Price, it is a great privilege and honor to welcome you to the subcommittee this morning.

**STATEMENT OF DON K. PRICE, JR., DEAN, GRADUATE SCHOOL OF
PUBLIC ADMINISTRATION, HARVARD UNIVERSITY**

Dean PRICE. Thank you, Senator Jackson and members of the subcommittee.

Your invitation to me to appear before your subcommittee is a great compliment. Those of us in the academic world who are interested in the crucial problems you have been discussing have been learning a great deal from the published record of your hearings. It would be very hard to find similarly authoritative public information on the central policymaking processes of any other government. Speaking as a professor of political science—in which position I still feel a little out of character after only 3 years in the academic world—I am most grateful to this subcommittee for the production of a plentiful supply of raw material for my business.

At the same time, this makes it very hard for me to imagine just what I can say that would be of use to you, since I have the benefit neither of recent full-time experience within the executive branch, nor of the firsthand observation that Capitol Hill provides. Perhaps my most useful role today would be to try to sum up the general theory regarding the Executive Office, as it seems to me a number of official studies and actions have established it over a number of years. It seems like a long time to me, but that Office is still a relatively new institution, as Government agencies go, and since it has just about come of age this is not a bad time to see whether there is a reasonable degree of agreement about what it was set up to do.

I am particularly glad that your subcommittee's subject deals broadly with policy machinery. I don't find it very useful to try to think about security policy separately from other policy. The essence of the problem, I suppose, and the reason for the creation of the Executive Office, is that you cannot neatly parcel out assignments to different executive departments and expect their interests and purposes not to be mixed up with each other. It takes a lot of sophisticated effort to keep them from working at cross purposes, even with the best of intentions and with the most complete agreement on general political ideas.

At the same time I don't think you can very usefully separate policy and administration, except as ideal concepts. The major administrative controls are the President's most effective tools for directing the development of policy and for producing a program to lay before Congress for its consideration. The details of administration, and a share in the development of policy, the President and the Congress both have to delegate to the executive departments and agencies. While the President and the Congress obviously have certain jurisdictional conflicts, in the main I think we cannot get anywhere unless we think of them as having common interests in enforcing the responsibility of the executive agencies. The job is obviously now so tremendous that this function of the President is no longer one that he could, by the help of constitutional lawyers, defend against the Congress. By the exercise of its legislative procedures—by simply failing to give the President the institutional help he needs—the Congress could reduce the Presidency to little more than a symbolic office. It could, that is, if it wished to do so and if the public would let it, and I am sure that neither is true.

The Executive Office of the President as it was set up in 1939 was established on the basis of a theory that is very much in line with your main concern with policy. There were those who had long urged that such a Presidential office include all the managerial and housekeeping agencies of the Government, for the purpose of enforcing economy and efficiency, but already in 1939, as the President's Committee on Administrative Management believed, the Government was too big for such centralization to work. Responsibility for efficiency must be imposed, in the main, on the operating agencies. It was wise then and I think it is wise today not to put in the Executive Office such functions as those of the General Services Administration, the National Archives, and similar agencies.

If, then, the Executive Office is to include the main staff agencies through which the President directs the central policies of the executive branch, should it have any different relation to the Congress from the other executive agencies? It seems to me extremely important to maintain such a distinction, in the interest of the Congress as well as of the President.

One of the first concerns of the Congress, I suppose, is to have as clear as possible a channel for enforcing the public accountability of executive agencies. Every department that is given public money to spend, or Government power to exercise in relation to the public, should be publicly accountable for its actions. To enforce such responsibility it is necessary by statute to set up the major departments, to define their powers and determine their appropriations, to put them under the control of officers confirmed by the Senate and politically responsible to the President, and to require them to account for their actions publicly before Members of the Congress. Both the Congress and the President in a very practical sense have to delegate very heavily to such political officers, who obviously receive a corresponding degree of independence of action. No matter how much the policies of one department head are related to another, it seems to me that the specific functions of his department—the power he exercises and the money he spends—should be granted as clearly and exclusively to him as possible, so that he can be held exclusively responsible for his mistakes. This is the general theory that led the authors of the Federalist papers—for example Hamilton in No. 70—to argue for unity in the executive power, with no executive council or committee to disperse responsibility.

The nature of the Executive Office, it seems to me, should be entirely different. Its constituent units should not be given any powers at all. They come into existence because, in a government that is tremendously larger and more complex than the framers of the Constitution could have imagined, a considerable institutional machinery is needed to make it possible for the President to do what the Constitution expected him to do personally in a very small government. Every effort should be made, I think, to leave in the several departments and agencies the operations that can be defined and clearly assigned and to put in the Executive Office only such machinery as is necessary to help the President keep informed of the intricate interrelationships of their operations and their policies, and to develop the required degree of unity among them.

It seems to me fundamental that two channels of responsibility are not better than one. If the Secretary of an executive department is to be held responsible publicly for a certain function, nobody in the Executive Office other than the President himself should also be called publicly to account for that function. This is why it seems to me that we should do everything possible, while giving the President all the institutional assistance he needs, to make sure that we do not let that machinery begin to compete with the departments whose political heads are not only responsible to the President but in another sense accountable to the Congress and to the public.

For this reason I do not think that it is supporting the interest of the President against the Congress, but equally in the interest of both of them, to say that the President should be given a very much greater degree of discretion with respect to the organization, the personnel, and the working procedures of his Executive Office than with respect to the executive departments and agencies. In the interest of the Congress I think it would even be true to say that he should be forced to take such responsibility whether he wants it or not. For if the Congress gives any part of the Executive Office an opportunity, in its own right, to influence a decision that a department head may be responsible for making, it will never be possible to fix responsibility clearly on the department head for the ultimate success or failure of an action. At the same time, with respect to the President it needs to be said that any statutory prescription with respect to the way his Office works—even if it is exactly right at the time it is enacted—may soon be used against his interests as well as for them.

What I have been saying, Senator Jackson and members of the subcommittee, is no more than a summary of the general position that was taken first by the President's Committee on Administrative Management and later by the first Hoover Commission, and I consider it rather conventional theory and I must almost apologize to you for rehearsing it here.

The need for Presidential decision is all the greater because the Executive Office is no longer simply a collection of staff agencies. The new element that has been added mainly since the war is the interdepartmental committee. Some such committees are statutory and others informal; some work at the very highest levels and are in effect Cabinet subcommittees, while others work and are made up of subordinates; some are permanent and others are merely ad hoc. They were set up as people came to realize that national policy was too complex to be sliced up neatly and assigned to different departments, but that their interrelationships were too complicated and too fast moving to be directed with the help of staff agencies alone; much interdepartmental business had to be handled under the President's direction by agreement around the table with his staff and representatives of the affected departments participating.

The interdepartmental committee was not first invented after the Second World War; I helped set up a very elaborate one as a junior staff officer in the middle 1930's. But it certainly became fashionable after our staff officers learned a great deal from the more sophisticated techniques of the British during the Second World War, and some of them got a bit too enthusiastic about what they learned and tended

to misapply it, to rely on it too much, or to give it a more independent role than it deserved. It was not until the first Hoover Commission made its report that the interdepartmental committees created by the National Security Act of 1947 were put in the Executive Office, where they belonged.

The limitation of both staff agencies and interdepartmental committees in helping the President deal with policy is a fundamental one. You can't slice policy up neatly among them, any more than among the executive departments. However you define their fields of interest, they overlap not only those of the executive departments they try to coordinate, but they overlap those of each other. The Budget Bureau is in a broad sense not dealing with different things from the Council of Economic Advisers. Each tries to help the President by working over the same raw material in different ways. Similarly there is no way in which you can say in advance just where the interests of the National Aeronautics and Space Council end and the Joint Chiefs of Staff begin, or how they relate to any other interdepartmental committee that may exist in the fields of economics, transportation, communication, manpower, education, science, or strategy. The multiple overlaps among such committees and the staff agencies of the Executive Office, and the fact that each of these overlaps also cuts across the assignments for which various executive departments are primarily accountable, means that it is not useful to try to define by statute the precise functions and responsibilities of the several parts of the Executive Office of the President. This is over and above the point that I think it would be fundamentally wrong to give any power to any one of them, since the only power in the Executive Office ought to be that of the President himself.

Yet this is a very great temptation. When I was working for the first Hoover Commission, I used to remark rather sourly that I had discovered a fundamental law of politics; every bureau or agency in the Government wanted to be either absolutely independent of everybody else, or to be established in the Executive Office of the President. Certainly every major aspect of Federal policy that cuts across departmental lines has earnest and public-spirited advocates who think that its problems can be straightened out only by a new piece of machinery in the Executive Office, and obviously the more prestige it has the better, and this requires statutory status. I have been greatly tempted by my special interest in various of these aspects—for example, scientific research or education or international cultural relations—from time to time to join in one or another of these crusades. But I was usually rescued by being interested in more than one at a time, and then finding it hopelessly impossible to define just where the interests of one begin and the other end.

So I conclude, sometimes regretfully, that once we have organized the executive departments as rationally as we can we ought not to do anything to confuse the ability of the Congress and the President (in their several constitutional ways) to hold them publicly accountable. The way of the Congress is the legislative process, which inherently involves publicity and open debate. Hence, in the American constitutional structure, unlike those of parliamentary systems, specialized standing committees are necessary. They, too, get into jurisdictional problems, but fortunately that is not our subject today. The way of

the Executive on the other hand is one of discretionary executive action which must have in it a large element of flexibility and—if I may dare use the dirty word—secrecy if it is to have the energy and achieve the unity of action that the Constitution intended and that we never needed more than we do today.

With an eye, then, on keeping the main channel of public responsibility through the heads of the executive departments quite clear and uncluttered, the executive office should be seen as a secondary problem. It ought to have in it only what the President needs to control the policies and the operations of the departments and agencies, and thus should be a means of making his constitutional power effective, not a means of creating new powers or assigning new functions. For this reason, just as each House of the Congress should be left free to determine the organization and the staffing of its committees, it seems to me that the President should be left free to determine the organization and staffing of his Executive Office. I do not think any part of it should be assigned powers in its own right, at least not beyond the power of the President to reorganize and transfer elsewhere in the Executive Office at his pleasure.

Similarly it seems to me that the President's discretion in the selection of personnel for the Executive Office should not be subject to the same degree of restraint that is proper in the appointment of political officers to be held publicly responsible for the direction of departments. Whether this end should be attained by an informal tradition, or whether it would be better to follow throughout the Executive Office the precedent of the Budget and Accounting Act, which made the Director of the Budget not subject to confirmation, seems to me a secondary matter. The status of the Budget Director is unusual even in the Executive Office, and the precedents are more on the side of Senate confirmation. The essential point, I think, is that the process of confirmation, which has a proper purpose with regard to an officer in whom powers and functions are vested by law, does not have that purpose in the case of one who has no legal authority in his own right, but only an administrative function in support of the President's constitutional authority.

Finally, I am glad to see how frequently your subcommittee has recognized the limitations on efforts to coordinate policy at the Executive Office level. There is first of all the problem of quantity; if you start by trying to settle all interdepartmental problems at that level, you will have so much business that the Executive Office will itself grow so large that it will be impossible to coordinate its several parts and it will begin to project its internal differences onto the departments. The only way to avoid this is to get more of the job of coordination done by the departments themselves, and this leads, in national security policy, to a coordinating job of major importance and major difficulty for the Department of State.

The second limitation is that of personnel. Our national weakness, I think, is to try to make up by elaborate organization for the defects of the men on the job. Neither staff agencies nor committees can coordinate officials who are interested only in the programs of their several bureaus; or subject to the influence, on account of their temporary status, of the interests with which they have been or expect to be associated; or simply unaware of the complex ramifications of modern governmental problems.

This is, of course, a separate problem, which needs to be tackled both throughout government and our universities. If I mention it to you, it is not to suggest that the machinery of policy coordination is unimportant, but only that improvements in machinery and personnel have to go along together if we are to get the results we want.

I thank the subcommittee for its attention and shall be glad to answer any questions that I can.

Senator JACKSON. Thank you, Dean Price, for a very excellent statement.

If there is no objection, the Chair would like to suggest that there be included in the record this morning a very able and brilliant presentation by Dean Price before the American Assembly in 1960. The discussion appears in the compilation of essays "The Secretary of State," and is called "The Secretary and Our Unwritten Constitution."

That will be included at the conclusion of the record of Dean Price's testimony.

We are very happy to have Senator Cooper with us this morning and, Senator Cooper, we would like to have you ask some questions. I need hardly add that Dean Price is from Kentucky. We are happy that his mother and father could be here with us this morning.

Senator COOPER. I have had the honor of knowing Dean Price and I might say, we are very proud of him.

Senator JACKSON. You have expressed your judgment that the President must be given the greatest possible freedom with respect to the organization, personnel, and procedures of the White House and the Executive Office.

Do you feel there are now some restrictions on the President's freedom in this regard which should be removed or might be removed?

Dean PRICE. I do not want to sound utterly doctrinaire, and I think that where there is no practical problem I would not say let us tinker with statutes just for the sake of theory.

I think it is proper and normal to have statutes that with respect to the bigger parts of the Executive Office like the Bureau of the Budget describe their functions in broad terms, as distinct from granting them powers independently of the President.

The one change that seems to me would be most useful would be not to try to go back and tinker with the statutes which set up the various parts of the Executive Office, but simply to give the President with respect to the Executive Office the same power to reorganize it and transfer functions among those units as has been given to the Secretary in most of the executive departments.

I think that would amply take care of the matter.

There is a quite separate problem with respect to a great deal of the work of the Bureau of the Budget which I have not kept up on in technical detail in recent years. It seems to me that the disposition to try to control management by putting on several different checks, namely, by authorization, legislation, appropriations, personnel ceilings, and so on, leads to a situation where you find that three checks are not as clear and as effective as one.

That is a different problem and not really pertinent to what I have been saying.

Senator JACKSON. But you feel that the President should have the authority to make such changes within the Executive Office as can now be made by the heads of the major departments and agencies in their organizations?

Dean PRICE. That is true, and I think that is particularly important, although this principle does not necessarily involve any drastic changes, and can be taken care of by reorganization authority. Changes may be needed, for example, in the case of any machinery that involves interdepartmental consultation, such as, if you take the most recent example, the Space Council. I think this may prove to help the President considerably in the immediate future, but in the longrun future our main problems might be visualized in another context and we might like to think of space as a separate field of policy, but in an international or a military context. Then it might be more effective to set up the consultative machinery in a somewhat different way, and I think it would be helpful if the President has the discretionary authority to do so.

Senator JACKSON. I presume what troubles you, is that in an emergency situation when interdepartmental committees are set up within the Executive Office of the President, the normal tendency is for them to grow. Unless carefully curbed and watched, such a committee can become a monstrosity that is hard to remove.

Dean PRICE. I fully agree with that, Senator, and I think that the worst thing about the statutory definition of these committees is not that it really puts up a block against the President's actions if he chooses to do something drastic about it, but that a statutory committee will remain in existence even if the President quits using it. For nobody can make him listen to their advice.

To formalize such machinery creates a real bureaucratic problem. If a staff thinks of its own interest and future as all wrapped up in a subject as defined by statute, it will have a very strong motive for pushing that particular specialty and not becoming interested in any other. Then it tends to become a barrier rather than a help, a barrier to the coordination of that subject—even though it be an interdepartmental field—with other subjects.

Senator JACKSON. That is why the jobs within the Executive Office of the President can best be based on the President's constitutional authority rather than statutes that give certain prerogatives and rights to staff members.

Dean PRICE. So it seems to me. And I would really like to emphasize my feeling that this is at least as much in the interest of the Congress as it is of the President, because nothing would be more impossible for Congress and the public to hold accountable than a field in which an executive department is entrusted with a function, but parts of a great sprawling Executive Office also has legal responsibilities for that function. That seems to me to be the way of utter chaos.

Senator JACKSON. In view of what you said in your opening statement about pinning responsibility on operating agencies and departments, I assume you would be somewhat skeptical about such proposals as a First Secretary of the Government, an official who would stand between the President and his department chiefs?

Dean PRICE. That particular phrase was attached to several ideas with rather different meanings in the 2 or 3 years, I heard it discussed. I had a certain degree of skepticism about all of them. If I am to comment at all, I would rather talk about a specific proposal. But as for one of these ideas the notion that there should be set up by law an officer who would, under the President, have authority to make decisions that would be binding on the heads of the executive departments, this seems to me to be a profound mistake.

Senator JACKSON. If I am correct, every recent President has had two kinds of aides or staff assistants—one you might call the general purpose aides and the other kind of Presidential assistant, sometimes called the institutional aid, some one who gives the President assistance in some specialized field, such as economics or science.

Would you review for us your concept of the place and role of both kinds of aids?

Dean PRICE. These things do not fall into completely neat categories, it seems to me. I suppose the main distinction within the Executive Office is between the White House Office which includes the personal intimate staff assistants to the President, and the institutionalized agencies, most of which are of a specialized nature in the other parts of the Executive Office.

But this distinction does not correspond entirely with the one you made, because the White House includes not only the President's political and personal aides but it includes career staff officers, such as the clerk of the White House.

The first clerk I knew dated back to the days of President McKinley. When I was working for the Hoover Commission, I found that the chief of the mailroom dated back to the days of President McKinley. The White House Office certainly includes both the career types and the political types.

In the rest of the Executive Office, you have the specialized functional fields represented by such agencies as the Council of Economic Advisers, and you have a very important agency in the field of strategy and international affairs. There is a question, of course, as to the long-range status of the field of science and technology; the President's special assistant for such matters is technically in the White House, but in all other respects, I think, heads a specialized nonpolitical type of staff that probably ought to be outside of the White House, and in the other part of the Executive Office, even though the Science Advisory Committee might remain in the White House.

The Budget Bureau, of course, which is the largest and oldest of all, is partly made up internally of general-purpose, across-the-board staff, partly of staff who specialize in the problems of particular departments and agencies, so I think you have difficulty categorizing them.

I think the most useful distinction is the one between the career institutional types, and the personal and political aides.

Senator JACKSON. How do you maintain a proper balance in the Executive Office of the President between the need for career people and the need to maintain Presidential control over the units in the Executive Office?

In other words, how can the President make sure that his policies are being carried out. For example, would it not be possible for, say, the Bureau of the Budget to become a very large organization and an

agency as powerful and as big as the traditional agencies or departments in the Government?

Dean PRICE. I think one major way to prevent this is to keep it reasonably small. Now, what reasonably small is is a matter for a great deal of argument.

I am not pretending to pass judgment on the proper size in numerical terms, but it would be easy for the White House Office or any part of the Executive Office to get too big.

I would say that aside from the Bureau of the Budget which has to do a mass-processing job and has to be somewhat larger, no other part of the Executive Office ought to get so big that the staff members in it cannot be in a chain of communication that lets them really in some sense acquire an intimate personal understanding of the President's policies.

Adjusting the career types to the personal views of the President and the political views of a new administration is always troublesome, and it is particularly hard because it is difficult to distinguish between political insubordination and a sort of natural reluctance of people to have all of their habits changed all of a sudden, and their specialized prejudices. I think usually it takes a new administration about a year to shake down and find out which attitude is which in particular cases.

After it has done that, I think a new administration ought to be quite prepared and ought to have the full power to move out of any position in the Executive Office any career employee who is not wholeheartedly carrying out its policies.

Senator JACKSON. This is not to say he should be dismissed from the Government?

Dean PRICE. I think one of our troubles about making use of career officers in top levels of the civil service is that we do not provide any punishment short of capital punishment, so to speak.

If a general is not getting along very well with an Assistant Secretary, the general can be sent to another command or the general can be put on detached duty for a while.

In the civil service, the rigidities of the system, although certain improvements have been made, are still considerable enough so that it is very hard to move a man without firing him.

What I think would do us more good than anything else in the top range of the civil service is to make it possible for the top political officers, without hurting a man's career, to move him out of the job he holds. But this ought to be done with great concern for the career prospects of such a man. Because in a lot of cases, such a move can be necessary from pure incompatibility that is not necessarily anyone's fault.

Senator JACKSON. What you are saying, in effect, is that by doing that, the career service can offer to the top policymakers of the Government the best possible talent. I certainly want to concur wholeheartedly in your comment on the inflexibility that pertains at the present time.

Often, it seems, they just stay on and on or some drastic step is required to get them out of the way. It seems to me that this is a very poor use of the talent we have in the Government.

Dean PRICE. Of course, there is the other side, Senator. Because some of this stickiness and slowness to adjust comes about when the career man really does know more about the problems and difficulties than the new political leader who heads his agency.

I can remember now three transitions in the Bureau of the Budget. In each one it was very hard to tell in specific cases whether a career staff man was just being sticky out of addiction to his old habits or an affection for the old regime, or whether he really knew that certain problems were much more difficult than his new bosses were taking into account.

Senator JACKSON. This really gets down to people.

Dean PRICE. Very much.

Senator JACKSON. If the policymaker is wise he is certainly going to listen to the career man to get his advice and counsel and move rather slowly before plunging.

As you may know, one of our staff reports has recommended the establishing of a very small Office of Science and Technology within the Executive Office.

Do you have any comments on this?

Dean PRICE. It seems to me this is a very desirable development. I think that the Office which has been headed in turn now by Dr. Killian, Dr. Kistiakowsky and Dr. Wiesner, has made a very considerable contribution to top policy staff work.

It has been set up technically in the White House, as I understand it, because that was the easy way to get it going by executive action. I think for a long time to come we will certainly need some special scientific staff work at the Executive Office level on policy.

One problem, I suppose, is that it is now very hard to get a new unit set up in the Executive Office outside of the White House except by statute. While I would rather like to see a thing like this set up with a good bit of flexibility, I have to face the fact that the rest of the Executive Office agencies were created by statute and I would not recommend against it in this case.

I would only recommend that the President be left free to work out the relationships between it and the other parts of the Executive Office, and leave its functions and duties rather flexible.

Senator JACKSON. In other words, it would be helpful if the statute setting it up provided the President a great degree of flexibility in the administration of the new Office of Science and Technology and in its relationships both within the Executive Office of the President and with the departments and agencies as well?

Dean PRICE. I think so.

Senator JACKSON. So, the President would have complete control of it but at the same time could meet essential congressional or statutory requirements?

Dean PRICE. I think that one of the special problems as I have understood it in the past few years has been the general principle that members of the White House staff do not testify before congressional committees. The accident that this whole unit landed in the White House rather than outside of the White House in the Executive Office has kept the scientists on this staff and the Scientific Adviser to the President from being able to come down on the Hill. It should be possible for the Special Assistant (as distinct from members of the Science Advisory Committee) to testify.

findings here are observed and considered by the Congress and perhaps by the Executive, it may lead to a way of giving greater direction and purpose to ever-increasing big government and rather sprawling government. I was happy to hear your comments, which I enjoyed very much.

It seemed to me running through your statement there is the recognition and support of the constitutional division of powers and your belief that improvements and reforms can be made within these limitations. As I understand broadly, you said, with respect to the constitutional and statutory agencies, that their duties and functions should be clearly set out and that they should be held strictly accountable by the Executive and by the Congress. Am I correct in that?

Dean PRICE. Certainly, Senator Cooper, you are quite right in thinking that it is my opinion that the constitutional separation of powers that we have is not only something that we are going to have to live with, but it is something that is positively desirable. I would not try to change that if I could. I would try to make it work better in a good many ways, but it does not seem to me that the avenues of improvement are in the way that would lead away from the separation of powers. I do not believe that in a Federal system and a republic the unification of powers on the parliamentary model is better than the separation of powers.

Senator COOPER. With respect to the Executive Office, I understand that you really believe that that is a matter that must be determined by the President as far as the number of agencies in the Executive Office, the personnel and their duties?

Dean PRICE. Yes, sir. I would certainly distinguish, Senator Cooper, between constitutional right and expediency. Constitutionally, there is no question that the Congress by law can completely determine the internal patterns and procedures and working habits of the Executive Office. But if it did so—and I do not think that it does want to do so—it would make the President pretty well a prisoner in his own palace, so to speak. As a matter of expediency in any large organization you have to delegate, and neither an executive nor a board of trustees nor a legislature advances its own interests by refusing to delegate. It only clutters up its business. I think that in accord with this principle that Congress will get its own interests advanced by delegating to the President the control of the organization and procedures of his Executive Office.

Senator COOPER. I think the practical question does arise—and perhaps it may not be based on fact but at least public opinion and the press feel this problem occurs—that agencies in the Executive Office or a strong individual in the Executive Office may stand between the constitutional and statutory agencies and the President and the Congress. I am not able to know whether that is correct or not. To the extent that it is or is not correct, how would you approach that problem? Does it rest just with the President?

Dean PRICE. I think it does rest primarily with the President, Senator, but I do not think that the Congress is unable to do anything about it. I would think that the Congress' most handy approach would be to work with the head of the executive department or directly with the President, rather than to try to control the relationship of the President to his staff subordinates. It seems to me it is very

analogous to the principle in a very large military organization, where the staff officer even though he may be a lieutenant would sometimes go on behalf of the general to the colonel commanding the troops and say the general wants thus and so. Once in a while he will be fudging things and saying what he wants rather than what the general wants. Once in a while he will get caught at it and it will be all the worse for him. I do not think this type of thing will be entirely prevented in human affairs, but it can be held down to a minimum and not by disciplinary measures alone. For any President is protected against this by the strength and the degree of independence of character of his department heads.

Senator COOPER. I am in no position to know whether it is correct or not, but we have heard in recent weeks and months that opinions have been given by individuals in executive agencies which allegedly assert greater authority than the constitutional agencies do. I think you would agree that in agencies where policymaking comes up through the levels, the question probably sometimes arises as to whether different viewpoints and alternative viewpoints reach the head of the agency and reach the President or whether there is some way along the line where they are cancelled out as the most common denominator. If the head of the agency believes that, of course, you can make changes. Suppose the President believes that on a particular matter in this process of policymaking the most effective department man should be available but the department may not be engaged in it to the extent that he thinks it ought to be. He would run against the institutionalized processes and personnel within an agency, so what can you do about it? What can you do, for example, about it in the State Department where people he thought had the greatest knowledge and wisdom and wealth of policy at the lower level were not engaged or those in the military department or Department of Defense, or the Joint Chiefs of Staff, did not reach the level he believed would be needed. What can be done?

Dean PRICE. This seems to be a tremendously difficult type of problem that comes up even in small private organizations and it comes up to a heart rending degree in the big public organizations where great issues are at stake. It seems to me it will always be true that on particular issues things would have been handled better if certain subordinates could have had a larger voice and if their superiors who lacked their particular knowledge or their proper approach to the particular subject, had listened to them more. It seems to me this is just inherent in any organization, and I do not know any way to cure it except by simply having better personnel and better management on the part of the responsible officers.

Any effort to cure this ill by a general principle leads you into more trouble than it gets you out of. Once in a while I think the executive head or his subordinates have to fire people to get around problems like this, even after you have done all you can by educational methods, internal training methods, and simply building up the general competence of your department. If I may take just another moment, Senator Jackson, on this particular problem, it seems to me the most characteristic problem in this Government that we have is that especially on the civilian side we tend to bring people up into fairly high positions on the basis of extremely specialized competence. We do

not have a very large supply of people with broader training and experience who are staying in the Government who are interested in the total program of the Government. Hence, when you have a fairly high level officer saying that his views are not being properly listened to, it is hard to know whether he is right from the point of the general public interest, or whether he has a specialized hobby to push and the top man was quite right in not listening to him. These are hard questions to judge. My only general answer would be that I think without abandoning the principle that we draw for our general administrators on all types of specialized talents, scientists, lawyers, and so on, we need to develop a very much stronger corps of general administrators who can be used with a great deal more flexibility and freedom by the responsible political executives. I think this will do more than any particular procedural reform to improve our policy machinery.

Senator COOPER. Thank you very much, Mr. Chairman. I have no other questions.

Senator JACKSON. Dean Price, this administration is trying to get more of the job of coordination done by the departments themselves rather than by interdepartmental committees at the White House level.

In your opening statement, you said that for national security affairs this leads to a coordinating job of major importance and major difficulty for the Department of State. Could you discuss this?

Dean PRICE. I would be glad to, although I am not at all closely in touch with either the general things the administration has been doing in this respect or with what has been going on specifically in the State Department. It seems to me that the most conspicuous development in international affairs in the past 20 years has been the way in which every Government department has gotten into the act. I think every executive department has a special staff or bureau now which deals mainly with its international interests. This is a development that is completely warranted. They really have to. Agriculture does have interests abroad, Labor does have international labor interests. I think the question then is if you are looking at the politics of the trade unions internationally and thinking about their role in the cold war, do you simply let the Labor Department go off entirely on its own or how do you relate it to our general foreign policy. One solution which is entirely too cumbersome is having a special unit for each such subject in the Executive Office.

The second thing one is tempted to try to set up is a very formalized interdepartmental committee, and to have every special problem of this nature brought before such a committee and more or less voted on. I think our temptation to do this was more or less an attempt to imitate the British Cabinet subcommittee system. Each of those approaches is justified in a few of the most important matters, but with the great bulk of the business I think it much more expeditious to handle it as an international matter by having some officer in the State Department responsible for following the international problems in each special field. I have read the testimony of some of your preceding witnesses. Whether this is best done by basing that coordinating effort mainly on the geographical assistant secretaries with respect to their particular parts of the world or whether that responsibility in

some cases has to be based on the functional parts of the State Department, I think, has to be worked out according to the needs of each individual problem.

It does seem to me that this is a job which has to be assumed by the State Department if it is not to abdicate its primacy in the international field.

Senator JACKSON. This gets back to the orchestra leader concept.

Dean PRICE. It does. From the point of view of the management theorists, it has been hard to take. Because, among our crowd, as sort of an article of faith, it has been held that one department cannot be asked to coordinate another. This doctrine got going and was quite valid in a way at the time when the arguments came up about taking the Budget Bureau out of the Treasury where it had some real conflicts of interest. After all, even though the Budget Director was supposed to report to the President from his position in the Treasury Department, there were still troubles when it came to checking his nominal boss' budgets. But I do think that this doctrine, as valid as it is, in a broad sense, just cannot be pushed to its logical conclusion. You really have to have a system in which it is understood that in the normal conduct of business most of the coordination of a particular problem will be worked out across departmental lines under the leadership of a particular person in a particular executive department. If it gets to be an important issue on which departments have different interests, you then have to have a means of appeal up the line. In the most important instances, it has to go to the President.

Then you get to the kind of problems Senator Cooper was talking about—what seems to a bureau chief in, say, the Department of Agriculture or of Commerce, as an absolutely all-important issue on which he and his Department differ with the Department of State and the Department of State overrules them, should they take it to the President and should the President listen to them? I do not think there is an answer to this in uniform principle. The President has to get the answer to this worked out.

Senator JACKSON. It gets down to people at the departmental level.

Dean PRICE. And the judgment of the relative importance of different departmental interests. And I think that the most important role of the Presidential staff dealing with international security matters will be to keep the President advised on interdepartmental issues and inform him when one department is abused or is abusing its relationship with the other.

Senator JACKSON. If the President recognizes the primacy of the State Department in this broad area, then of course the problem for the Department becomes less of a headache. Then, however, it gets down to the people at the lower echelons within the respective departments that, in this view, must be responsive to State in their specialized area. You have to have the right kind of people, let's say, from the Labor Department or from the Department of Agriculture, who understand their role and at the same time understand the role of the State Department. This is where you get down again to people.

Dean PRICE. You do, and you get down to some fairly fundamental political forces. I think it would be fair to say that the Department of State, politically speaking, a couple of decades ago was the weakest executive department in the Government. It did not have a big

domestic constituency to back it, so in any interdepartmental row it was likely to come off second best. In any international issue there would be a very great temptation for a given bureau in Agriculture or Interior or Commerce or Labor, or whatever, to team up with the congressional subcommittee interested in its specialty. Between the two that makes a very powerful alliance, and unless there are offsetting forces to force attention to the general interests, it is pretty difficult to lick that kind of combination.

Senator JACKSON. In his testimony before our subcommittee last year, Mr. Robert Lovett said one important attribute of a Secretary of State was "availability in Washington," where he can be close to the President and run his Department. It seems, apparently, Mr. Rusk has not had any more luck than his predecessor in this regard. Do you see anything that can be done to ease the Secretary's travel burdens?

Dean PRICE. Mr. Rusk has already spoken publicly about the conflict between his published essays on this subject and what he has found it necessary to do, and I do not really think I could add anything to that except an expression of my sympathy. This was one of the main notions in the First Secretary idea—that there be some sort of officer with high status and prestige available to go to big international meetings.

Senator JACKSON. A foreign minister or someone of similar stature?

Dean PRICE. And in addition a man with equal rank who would be running the Department. In a way I think this was a valid purpose to work toward. We are not very flexible or inventive in using titles in our Government. The British manage to have a lot of ministers without portfolio who carry a lot of rank, and I do not believe we have learned how to do this very well. In a way it is because we are too reasonable in our approach—we do not think high title and rank should be given unless a man has some specific responsibility to discharge. The notion that rank goes with statutory responsibility makes it very hard to avoid our difficulty in this matter. This is acute at a time when there are an awful lot of new nations of the world that are understandably sensitive about their protocol relations to the great powers and when they come to Washington they want to see the top man. I certainly do not have the answer to this problem.

Senator JACKSON. The top officials of foreign governments inevitably gravitate to the individual who does have the power, and creating another office will not satisfy them. Is this part of the problem, do you think?

Dean PRICE. I think that is true. It might be possible to try to invent some additional title for a Second Secretary in the Department of State.

Senator JACKSON. What about the roving ambassador?

Dean PRICE. Historically, going back to Colonel House and others more recently, this man usually was thought of as representing the President, and quite apart from the Secretary of State, and this caused more trouble than it was worth. I think that the way that it has been done where the man is formally accredited as a roving ambassador is very much more responsible and very much more orderly. But no one who is not in a position of dealing directly in this kind of business, and I certainly am not, could say anything very useful on this, I am afraid.

Senator CLARK. Thank you very much indeed for inviting me to come here today. It is a very real privilege and pleasure to be asked to sit with this subcommittee. I am particularly happy to have a chance to hear my old friend, Dean Price. I used to be chairman of his visiting committee at the School of Public Administration at Harvard some years ago and I am happy to have made a small contribution to getting him selected for that job. This has not in any way resulted in his taking me seriously in the past and I am sure he won't now either.

I do have a subject that I would like to throw out for discussion. Dean Price, as you know, the President has sent down a bill to Congress advocating a disarmament agency for peace and security. This bill was originally referred to the Government Operations Committee. It then was transferred to Foreign Relations where, largely under the leadership of Senator Humphrey—Senator Fulbright has been engaged on the foreign-aid bill—extensive hearings have been held and I testified the other day. It is a matter in which I am deeply interested. It does raise an important question of national security policy and perhaps there should be two sets of hearings, one before this subcommittee and one over there.

I would like to direct your mind to this line of inquiry.

Mr. McCloy was largely responsible for pressing the bill although many, many others and perhaps you participated in its formulation. Mr. McCloy's predecessors in the disarmament job have testified pretty strongly that they do not think it is feasible to make any successful effort in the line of disarmament, or, as the chairman prefers, arms control, operating from what is essentially a White House executive office without statutory authority.

My own thought has been that heretofore this disarmament activity has been more than a line responsibility. Now it is proposed to create a new agency with statutory authority which has somewhat—but nonetheless carefully thought through—anomalous relationships with the Secretary of State, with direct access to the President on some matters and not on others. The Secretary of State has testified he likes this. He normally must have bipartisan support of able citizens testifying in support of it. Yet I think there is a strong feeling in Congress to the effect that we should not have such a new more or less line agency with direct access to the President to deal with the manifold aspects of arms control and disarmament including not only the scientific research and development but also the legal and international law aspects of research and development which is going to be necessary in any meaningful agreements to be negotiated or approved. I wonder what your general thinking is on that.

Dean PRICE. I would be glad to answer as precisely as I can. In the first place, in spite of your very flattering remarks, I have had nothing to do with the formulation of that proposal. I have only seen what appeared in the New York Times, including Rusk's testimony. On the basis of my thinking up to say last December on the general principles involved, which has not really changed because I have not worked closely enough on this subject to have occasion to change my general ideas, I think it would be a very great mistake to repeat the business of setting up another agency in the Executive Office. That is bound to be a weak position when you are really going

to engage in a large-scale operation of this kind, and get involved in international negotiations of the most delicate type. That is not to say that the Agency will not need Presidential backing, because a great many problems will arise between this Agency and the military services, which will not necessarily be enthusiastic about its purposes.

Senator CLARK. That is the understatement of the year.

Dean PRICE. I think it is absolutely essential that this Agency have a close and intimate relationship with the Department of State, and I probably would have said in December that it should be a part of the Department of State.

Having read Secretary Rusk's testimony, it is quite easy for me to see that, as often happens, there is the feeling that a higher degree of prestige comes from separate status and separate although joint access to the President, and all this will help avoid some of the jurisdictional troubles that may spring up between the Defense Department and the State Department. I therefore assume it was thought wise to put this agency in something of a semiautonomous status. I am not sure that I would not have come to this conclusion if I had been engaged in staff work on the problem, but since I was not involved, the main thing I can say is that I am glad that at least it is associated as much as it is with the State Department and, if anything, I would like to see it rather more intimately a part of the State Department.

I do think that the degree of operating autonomy is an entirely different matter. The ICA is now in the State Department and I think it has been in and out alternately and it is not easy to tell which is better.

It does not necessarily make much difference. I think what needs to be worked out for the ICA and the Information Agency, which is now out and used to be in the State Department and the Disarmament Agency—all of which have some big operating components in their job which really do not get managed as well if treated as a part of the diplomatic machinery—for such purposes I think we have to work out some more imaginative status in which there is real autonomy with respect to day-by-day operations but really effective policy guidance from the Secretary of State and the policy machinery of the Department.

Beyond that it would be foolish of me to try to have a more precise opinion on this.

Senator CLARK. I think you would be quite fascinated as a professional in this field by studying this matter. I think it is one of the most important developments in American Government and perhaps you might have a little seminar on it.

Dean PRICE. I would certainly like to, but the thing has upset all of my theoretical preferences in the past has been that the State Department, by the weight of its professional corps, has not been able to pull in harness equally with the military services of the Defense Department.

The disproportion between the two as to the quantity of competence that can be thrown into staff work on any issue was just too great.

Senator CLARK. The argument has been made that the Defense Department in the long run, although it is not now and has endorsed this bill, but is in the long run the natural enemy of disarmament, whereas

the State Department with professional corps of Foreign Service officers schooled in diplomacy is far too busy with the day-to-day activities, with trying to solve the Berlin crisis, to devote any significant part of time to the study of this serious problem.

Dean PRICE. I think both of those things are inevitably true. I would not say by any means the best career military officers would be against disarmament, but with the natural momentum of the military machinery you cannot expect it to go in reverse.

About the State Department, the only thing I would add to that is that the difference between a unit completely within the State Department but given a certain amount of operational autonomy and a unit set up by statute with statutory access to the President—

Senator CLARK. And its own budget.

Dean PRICE. Although I would not mind parts of the State Department being given their own budget, the difference is largely at the political level between the President, the Secretaries of State and Defense, and the Congress, and this gets into a whole range of imponderables that I find it hard to deal with on the basis of principle, and I have just not been in this most recent set of discussions at all.

Senator CLARK. I have a number of questions but it is getting late and I could defer to Senator Muskie.

Senator MUSKIE. Why don't you go ahead? I have plenty of time.

Senator CLARK. I would like to bring out one of my pet peeves to get your reaction.

This is perhaps not as objective as it should be, but I have gotten the impression during the years I have been down here both in the Eisenhower administration and in the Kennedy administration that the Bureau of the Budget has created throughout the years a status for itself which makes it in actual practice far more than a part of the Executive Office of the President, that it comes to be the arbitrator and the decisionmaker in priorities between Departments not only for funds but for authorizing legislation, and that it has expanded its functions to such an extent that it tends to override the administrative responsibilities of the Departments.

I have in mind an example with which I became closely connected this year.

The President advocated a bill to provide for retraining of displaced and unemployed workers and also for out-of-school drop-outs and younger individuals who had not yet had a job.

This program was enthusiastically picked up by Secretary Goldberg. I happen to be the chairman of a Subcommittee on the Employment of Manpower of the Labor and Public Welfare Committee to which the bill was referred.

We had put in some bills of our own on this subject, and we thought that there were considerable difficulties in the legislative area in getting this legislation adopted without going to drastic change.

We found to our surprise and pleasure that this was agreed to by the Labor Department and also the Health, Education, and Welfare Department, but the program had been completely rewritten by the lawyers in the Budget Bureau and they required that that bill should come down to our committee and we tore it up and came up with another bill.

This is not a very objective procedure for a legislative brief, but beyond my own feelings about this, I wonder if you would have any comments as to whether maybe I am not right in thinking that the Budget Bureau is gradually becoming a line agency with command authority?

Actually, the President did not have any idea himself about this problem. I had another bill where the same thing happened.

I guess there are plenty of reasons why I am not being very objective about this. Administration witnesses came down and testified in opposition to the bill and that was brought out at a Cabinet meeting later and the President said he was amazed and he did not know his administration was against it.

Having gotten that off my chest, do you have any objective and helpful comments?

Dean PRICE. This is a field in which it is practically impossible to be objective. I would have to confess some mild bias, having been on the staff of the Bureau of the Budget.

Senator CLARK. I know you were. That is why I asked.

Dean PRICE. I am still an occasional consultant to them. I do not think the warmest defenders of the Budget Bureau in any particular period would ever get in the position of saying that the Budget Bureau staff, in the effort to work out coordinated positions, did not occasionally stretch their delegation of authority from the President.

These things are extremely difficult in my experience to judge. If you are handed a general assignment from the President, how much you are properly justified in stretching that becomes a very ticklish matter.

I think that this is a point, though, on which I would not like to rely on individual scruples, and I think the main question is, is there recourse? Is there an appeal?

Now, on unimportant matters, and when I say unimportant I do not mean to judge them intrinsically but just matters people do not feel are worth fighting about, there is no question but that a Budget examiner, if he is to put something together that can be used by the President and the Congress, in effect is going to make decisions that are not liked by some of the executive departments and by the people who support their programs in the Congress.

I do not see any way out of this except at the cost of leaving the process of appropriations and authorizations to chaos, and I think it is constructive to remember that it was members of the Appropriations Committee who insisted that the Budget Bureau take on the job of legislative clearance under the President in order to establish something like a program against which they could judge a budget. But I do think it is important to have a ready court of appeal against decisions of this kind. And the appeal of the Department head to the President, and the interplay between the Department head and the interested congressional committees are certainly, I think, at least more powerful checks on this kind of tendency than could exist in a Government where such standing committees of the legislature do not exist.

Senator CLARK. I agree completely with that.

My concern is that the Budget Bureau instead of passing on the fiscal implication of the proposed legislation has now created a bureau

or something or other where they write the legislation and which has, as I see it, individuals within its hierarchy which pass on whether that is a good thing or not, which is entirely independent of whether it is within the financial program of the President's budget, and this is what I more or less object to.

Dean PRICE. I would distinguish, Senator Clark, between two aspects of what you mention.

I would agree with one part of it and I would equally strongly disagree on the other if I interpret your remarks correctly.

I would heartily agree that it is not up to staff members of the Budget Bureau independently of the President's policy, and clear inferences that can be drawn from his policy, to make decisions with respect to the substantive programs of the executive departments.

Senator CLARK. Before you get to the second point, would you feel it desirable for the Bureau of the Budget to have a group of legislative draftsmen?

Dean PRICE. The line between drafting a bill and reviewing it is an extremely difficult and delicate one. I have taken part in the legislative clearance business at the Budget Bureau and I do not quite know how that line can be defined.

I can remember cases when having been instructed by the Budget Director that the President does not want it this way but he wants it that way, I sat down with a departmental representative and between us we have talked about drafting a legislative proposal.

He may very well have gone away from there and said that so-and-so Price took this away from me and drafted it and I could not deny the charge.

To decide on the merits of the case you would have to judge whether I really knew what the President wanted; if I did, I was right in trying to talk the Department into accepting it without making an appeal.

Senator CLARK. This raises an interesting question to me as to why a Cabinet officer should not know as well what the President wants as some member of the Budget Bureau?

Dean PRICE. I think it is a question of sheer quantity. On many a detailed subject having to do with one of the thousands of policy issues that might exist in a given department, there would be some subordinate in a small bureau in the department, and another over in the Estimates Division of the Bureau of the Budget, who would know what the precedents were, what problems were involved, and what the President and the Department head would decide if they had time to sit down and talk about it together—and would know it all more accurately than would the Department Secretary or the Budget Director.

When such subordinates get off-base, they should get slapped down by their political officers or by the Congress, and this, I think, tends to keep them in line.

If I may make my second point, I would not think you would want to urge the point that the Budget Bureau ought to be restricted purely to the fiscal and financial aspects of policy.

I do not think you can separate them out. If you should insist on that, you would make it necessary to set up in the Executive Office another equivalent institution working on the nonfinancial aspects of

policy and this would really be a bureaucratic conglomeration that would be horrible.

This was actually being proposed during the first days of the first Hoover Commission, that the legislative clearance business be taken out of the Budget Bureau.

Senator CLARK. How would you define legislative clearance?

Dean PRICE. I define legislative clearance as the job that is done by the Bureau of the Budget in helping prepare the advice to the executive departments as to whether their legislative recommendations should or should not be represented as part of the legislative program of the President.

Senator CLARK. Let us carry that back to the first example I gave.

I think I am right in stating that the President in his state of the Union message or maybe the economic message, as part of the problem of dealing with unemployment endorsed a program of retraining and said he would send to the Congress legislation at a later date to carry that recommendation into effect.

He did send down later a bill and a message but that bill was not the bill that was drafted by the Secretary of Labor. It had been drafted all over again in the Bureau of the Budget.

Why is it not wiser with that historic background to have the bill prepared by the Secretary of Labor?

Dean PRICE. Not knowing anything whatever about the details of the case, you will permit me to talk about the general principles?

Senator CLARK. Yes, of course.

Dean PRICE. I would think that even with respect to a program which has to do mainly with a single department, there may be implications affecting other departments and affecting long-range financial policy or setting precedents of other kinds which would make it desirable for staff on behalf of the President to say, "We recommend that you not do it this way," and with the President's support to tell the Secretary of the Department that the administration prefers he do it another way. And if drafting a bill were the easiest way to do this, that would not shock me.

But I would quickly admit that it would be a very great mistake if a majority of the business ever had to be handled this way.

This is, I think, sort of a protection to the President against the necessarily specialized interests of any given department.

Senator CLARK. Actually, in this instance, there was a real conflict of jurisdiction historically between the Office of Education and the Labor Department and vocational training people, but at the Cabinet level that had been resolved satisfactorily for the two Secretaries but not to the satisfaction of the subordinates down the line, but when it got to the Budget Bureau they did not work it out and we had to work it out when it came before the committee.

Dean PRICE. I have seen a great many cases as a junior staff member where my boss' commitments and his initial statement of policy would be changed by the time his staff came around and said, "Boss, have you thought about this? And if you do this you are going to run into this," so I would really not be inclined to take the initial statement of policy as final.

I would think it would be horrible if there were not an opportunity of appeal, if the Secretary's staff people were not able to say, "This

is serious and you should go to the President, and the Budget people have no right to tell us that."

As long as that recourse is open and the Secretary has the right to talk to the congressional committees, I do not think the Presidential staff can become much of a dangerous bureaucracy here. I would be inclined instead to say that it has been an extremely valuable institution for the President and the Congress, no less for the Congress because it serves the President.

Senator CLARK. Do you know how many are employed by the Bureau of the Budget?

Dean PRICE. I would say about 450, a little over half of whom are professional staff.

Senator CLARK. Would it be fair to say when the administration changes that only about a dozen people change?

Dean PRICE. A great many fewer—I would hope a great many fewer would be changed as a matter of course. After a few months' experience, if there were any staff members who were not doing the job that the President and the Budget Director wanted, there would be easy ways to transfer or if necessary, to fire them. But I would certainly think that the presumption would be that you change the Budget Director and very few, if any, others.

Senator CLARK. I have been told by the staff that only three or four have been changed with this administration.

My concern is not with them. You can always go to them and say, "Look what your fellows are doing." But down below you have the same old fellows who are part of the permanent bureaucracy. I am a great advocate of civil service and I know you are but the more I see it in operation, the more it occurs to me that something has to be worked out as a matter of administration which will have the effect of revivifying the bureaucracy.

Dean PRICE. There are two types of difficulties. One comes from partisan prejudice and one from just stodginess. Both will happen.

Some of those you may be worrying about were held over reluctantly when the Eisenhower administration came in, and a few of them reach back well before that.

I remember when I was first around there. The head of the legislative clearance business under Roosevelt was a stanch old New England Republican who came in, I suppose, under Coolidge or Hoover.

I really do not think that partisanship is a problem. In any organization, however, you do get stodginess, and I think it would be greatly in the interest of the Bureau of the Budget and the Director if in the Budget Bureau and the rest of the civil service there were easy ways of moving career people from one job to another without hurting them.

I think we are entirely too sticky about this kind of thing. I do not believe that civil servants ought to be protected in the jobs they hold if they are not doing them to the satisfaction of their political superiors, as long as their political superiors do not make the decisions on the basis of political prejudice.

But I think it is hard to do that with the present system; we are entirely too rigid.

Senator CLARK. I remember the statement of President Truman shortly after President Eisenhower took over and he said—

The President will sit in this big chair in the big White House and say, "do this and do this," and absolutely nothing will happen.

Senator MUSKIE, would you be interested in pursuing the administrative problems with the proposed Department of Urban Affairs that you have been so active in and in which you know I am interested?

Dean PRICE indicated that there used to be kind of a cliché that one department should not coordinate the work of another department.

We have had a new cliché that you should not send a major to do a major general's job.

Senator MUSKIE. The bill is reported out of the Senate committee. I suspect it will not meet with your entire approval because it is almost wholly limited to coordination. If Mr. Price is interested in commenting on this, I do not know if you followed this proposed Department of Urban Affairs.

Mr. Price says he finds it useful not to think of policies just in terms of security.

Dean PRICE. My first job in Washington was in the housing field and the interdepartmental committee I referred to in my testimony was the old Central Housing Committee which tried to coordinate departments interested in housing affairs. I have maintained a tremendous interest in this field and I have thought for years that the functions of the Federal Government with respect to municipal and metropolitan affairs, of which the housing program has been the central and the biggest, richly deserve departmental status.

But I must confess that I have not studied the current bill to which you have referred.

Senator MUSKIE. Inasmuch as Senator Clark and I will be involved in any floor action on the bill, we should elicit any useful information we can get here.

I would be interested in knowing if you have given the subject any thought, what criteria you think ought to be met by agencies which it is contemplated to place in a department of Cabinet status?

Dean PRICE. This has always been a problem. While I have been sentimentally for a Department of Urban Affairs, it is hard to know whether to include in it many of the urban programs now in other departments, or whether you set this up simply around the nucleus of housing and the associated functions of making grants to support metropolitan planning.

I, myself, would be rather inclined to think that it is better not to wait for a perfect solution to get something started. The whole housing and metropolitan planning field, I think, is important enough to warrant departmental status, although I do not put too much stock in departmental status. It is mainly a symbolic business.

But then if you look for other things to put in, you get various ideas. There was some talk about putting civil defense in, and I do not think that would work very well. You cause more troubles than it is worth if you try systematically, clear across the Government, to transfer to the new department anything that has any relationship to urban affairs, because almost everything does.

Senator CLARK. Does that not get you into the coordination problem? At the moment, as a result of action taken by Congress this year the mass transportation function has been put in FHHA but you still have the Bureau of Public Roads taking care of a highway program.

How can that properly be coordinated and how can a similar problem with which we are faced right now, and that is the water problem as it effects urban communities, be properly coordinated?

Dean PRICE. I do not think anyone can specify in advance exactly how it would be coordinated.

If you set up a department with enough of a Federal function in the fields of housing, municipal planning, metropolitan planning, and related matters, I would then think it would be up to the President to work out ways in which in relation to the functions of other departments, that department would take the lead. I would think that if it did not in very short order have an effective relationship with the Corps of Engineers or whoever else was doing the work, somebody should raise a row about it at the presidential level and see that it was done.

I think the device of setting up a formal statutory interdepartmental committee simply brings around the table a group of people who are determined not to let that committee interfere with their business. And the more formal and eminent the committee is made, the more determined they are.

When you are talking about operating departmental status, there is some importance in the symbolism of the name and apparently many attach a great deal of significance to such symbolism.

I have often thought too much was made of that. The President can invite to his Cabinet anybody he pleases and there have been times when a President has had the head of the housing agency regularly in his Cabinet.

I think it is important and useful to have high executive status for this function, and work out case by case the coordination with related programs. There is only one sticker about that, and this is the field in which it is utterly beyond the President's power to bring about coordination—rail transportation.

There you are talking about an agency that is as much beyond his power, as beyond the power of the Housing Administration, and that is the Interstate Commerce Commission.

Senator CLARK. When you get into that there appears to developing a technique at the local level which removes that objection, and that is the voluntary agreements between municipalities and between counties by which they take over the suburban rails and suburban equipment that the railroads are only too glad to get rid of and they then proceed to run their own show.

This gets out from under the Interstate Commerce Commission and the problem is solved.

Dean PRICE. I think that is true but it should be possible for the Federal Government in dealing with the major metropolitan centers today to take into account all its own actions with respect to those centers.

If my memory is right, Secretary of Commerce Hoover said that the uncoordinated dispersal of function relating to major cities among

various Federal departments really caused great trouble for our metropolitan communities.

Senator CLARK. That was the Report on Social Trends?

Dean PRICE. It was back much earlier than the Committee on Social Trends. Again, I say this from memory and I could be wrong. It may have been in a more recent document.

Senator MUSKIE. Mr. Price, you have been here quite some time now. I am sorry I missed your formal statement, but I have reviewed your prepared remarks and I would like to pursue somewhat the same line as Senator Clark without particular reference to the Bureau of the Budget. I notice in your statement, a sentence which seems to me to synthesize a very useful concept of the Executive Office when you say—

a considerable institutional machinery is needed to make it possible for the President to do what the Constitution expected him to do personally in a very small government.

So that you see the Executive Office as an enlargement of the President, his eyes, his ears, and to a certain extent, his mental processes.

If this is a useful concept, then to the extent possible the Executive Office ought to be as usable and as flexible and as controllable as the President's own eyes, ears, and brains.

But at the same time, and this is the point I would like to clarify, in your statement you would give the Executive Office and the constituent elements of it no operating or decisionmaking powers.

Am I right in that respect?

Dean PRICE. Exactly, although I do think in view of the questions that Senator Clark asked that it is always hard to distinguish between what a staff aid does when he interprets the boss' views and tells the operating subordinate how he sees the picture, and what he does when he gives orders. But I would certainly try to protect against too much of an extension of such influence by not giving any formal statutory power to any part of the Executive Office to give orders to any executive department.

Senator MUSKIE. You would not propose, would you, that everything the White House staff is empowered to do should end up on the President's desk?

Dean PRICE. I think that would be utterly impossible. In any big organization it becomes absolutely necessary for staff people working for an executive—and this is not only the President, it is the commander of a division or head of a corporation—to talk to the operating subordinates and say, "We have seen your paper, and the boss wants you to do thus-and-so."

Actually, I think that in most cases the departments want to be able to talk to a staff man and get the word. I can recall many times when I only wished—working two levels down in the Office of the Secretary of Defense—somebody in the Budget Bureau had a better impression to give me of top policy so I could get ahead with my business. But there is no question that great care ought to be taken to protect against too much extension of this practice beyond issues on which the President has specific instructions to give.

I think there is a very great parallel, if you do not mind my saying so, between the Executive Office of the President and the staff of congressional committees. Working in the executive departments, there have been many times when I have not believed that what the staff

member of such-and such committee said was what the committee really wanted.

Then I had to consider whether the issue was worth a test. Did we consider the committee's staff views equivalent to the will of the Congress? This issue comes up in relation to the Congress as well as the President.

I think they are very analogous problems and once in a while somebody has to take his courage in his hands and challenge a situation in order to keep the staffs honest.

Senator MUSKIE. So within certain areas at least, final decision-making has to be made by the staff department?

Dean PRICE. If you use the word "decision" in its nonlegal and non-authoritative sense, I think absolutely, and I think this is very desirable and has to be done. I would carefully preserve the distinction between the kind of decision that a staffman makes on behalf of his boss, always subject to challenge, in which he can never expect not to be disavowed if the boss wants to disavow him, and a decision that is made under an actual legal and statutory delegation of powers. Because when the Secretary of Defense makes a decision pursuant to his power under the law setting up his department, he is doing something quite different from what a staff member is doing in the Executive Office when he tells the Secretary of Defense let us work it out this way because this is the way the boss wants it.

I think those two types of decisions, in relation to the public and the Congress and the President, are fundamentally different.

Senator MUSKIE. The White House staffman could do one of two things. One, he could cut off appeal to the President on some decision made by the department head or on some disagreement between agencies, or, two, he could actually change or influence the decision bearing upon the activities in any department in accordance with what he considers to be the President's will.

Dean PRICE. If I were head of an executive department and a White House staff member told me, with the President's support, I could not appeal a matter, the President would have my resignation that day.

On this point, there was a nice anecdote in the book that the chairman was kind enough to refer to: "The Secretary of State," published by the American Assembly last year. Former Secretary of State Dean Acheson tells how he took a memorandum written to him by a White House staff member to President Truman and in effect asked the President who was going to carry the responsibilities of the Secretary of State. President Truman simply tore up the memorandum.

It is an illustration of the fact that there are usually some means of recourse on these matters.

Senator MUSKIE. I did not intend to suggest by my question that there should be no recourse but to the extent that there is finality at the staff level in the handling of any problem that is taken to the White House, to that extent, the President is being isolated from the problem.

Dean PRICE. That is perfectly true, and I think all I could say about that is that I hope pains would be taken not to give such decisions finality.

I think the thing that tends to give them finality is that nobody likes to carry a lot of trivial appeals to the President. But if they build up in importance they should get to him.

Senator MUSKIE. I would like to ask a couple of other questions here.

The President is partly a human being and partly an institution.

He needs to be aware of the facts and the judgments of the qualified people on the problem and the applicability of the facts to them.

This is what any human being needs, so this enlarged President in your concept of the President's role must be able to deal with these in the same way that the human being could years ago.

Dean PRICE. That is certainly the ideal.

Senator MUSKIE. Figures of speech do not make ideal solutions. Should his White House staff people be able to reach down into the departments to pick up problems which might not get to the White House at all except through action of a department head? Should they be able to reach down into departments to be able to get facts or get judgments? Have they this much flexibility, or should they have this much flexibility?

Should they be able to set up channels of communication that bypass Secretaries and Cabinet-level people?

If the President were dealing with a government small enough so that you were dealing with a human being again and not part human being and part institution, he would feel free to do this so——

Dean PRICE. I think this is a very good figure of speech, and about all I could say about this is it seems to me to be a matter of balance. Certainly that opportunity should not be denied the White House staff and they should exercise it occasionally, but in a very simple and direct relationship if in my own office, and I do not have many subordinates in my own job, if in my own office I tell my secretary how to keep her files and take her notes, I would not have a good secretary within a week or so; a good one would leave me.

I would not like her to tell me I did not have the right to instruct her how to get the files in order, but I would not want to try to do that, too much.

I think this is a question essentially of proportion. In order to get some quite big policy decisions straightened out, it seems occasionally a staff officer has to go down and work on some tiny management problem. He ought to be free to do so, but that can be done I think, and should be done, without creating an intolerable degree of meddling interference in all aspects of the department.

Senator MUSKIE. In the last analysis he must be the judge as to whether he is going too far?

Dean PRICE. I think that is true although I would not say "in the last analysis." In the last analysis, I think, if he goes too far, the head of the department will appeal and in the last analysis the President will have to decide whom to back up.

Senator MUSKIE. But the area of tolerance can be very broad.

Dean PRICE. That is true and there cannot be any question about it. I do not want anyone to think for a moment that I believe there is no problem here and that I think the size and the complexity of the White House staff does not create difficulties for the executive departments and the congressional relations. However, I think those difficulties can best be solved if we do not start with the assumption that this is an accidental and unfortunate excrescence on the governmental machinery that we should abolish.

It is necessarily a part of Government machinery. Having said that, one must admit that it involves very great difficulties and problems.

Senator MUSKIE. Do you think it would be helpful to have in connection with White House staff positions very specific job specifications as to what these people are authorized to do and how far they are authorized to go?

If this would be useful, who should set them up and how binding should they be?

Dean PRICE. I, myself, would go in the other direction. I think the curse of our civil service has been the too precise definition of duties and responsibilities in the higher ranges, and that this introduces elements of rigidity which are very undesirable.

I think that the kind of things that one should worry about do not lend themselves to specific definition. Occasionally, a good staff officer will have to do things which would go beyond some rule which you would write although, in general, he might have to be much more restrained and much more punctilious than any rule could guarantee.

I do not think this can be done by rule. I am afraid this is my main opinion on it.

Senator MUSKIE. Is it likely to be true that if you give the staff people too much flexibility in determining the finality of their own actions or the areas in which they operate, do you not then risk isolating the President even more?

Dean PRICE. I think this depends on the President and the department heads. If the President is not interested in taking an extremely lively and vigorous command of Executive affairs and if he is not the kind of person who realizes he has to protect himself a little against his own staff, you are going to have this happen and it will be very, very often.

Senator MUSKIE. The President may be so preoccupied, as for example with the Berlin crisis, that he may not be able to take such extensive interest.

Dean PRICE. I do not deny that this has substance but I do not know what can be done about this.

If the Berlin crisis is permanent, it will be a very grave problem. I have no doubt during our later years of participation in the Second World War, the domestic budget was handed over to Harold Smith to a degree that he would not like to have had continue. But when political attention turns in one direction, fiscal responsibility is not as closely supervised in other directions perhaps as it should be.

Senator MUSKIE. I am inclined to agree with you that you cannot fully institutionalize the relations between the President and the departments.

I want to get to the dirty word here of "secrecy" that is mentioned in your statement, I think, as a matter of fact, in your defense you ought to be given an opportunity to spell that out, so I would be interested to know what usefulness secrecy in the executive branch has and to what extent it should be practiced and how this offsets the disadvantage of secrecy?

Dean PRICE. I think my answer to that should be along these lines. It seems to me that it is absolutely essential for responsibility for every major issue, in its controlling elements, to be brought out by the Executive and debated by the Congress and discussed by the

public. One element in congressional consideration and in public debate ought, however, to be the consideration of a considered recommendation by the President and by his responsible political advisers, the heads of the departments. In the process of developing any institutional recommendation a certain measure of secrecy is necessary. That word is not very popular, of course.

I am not talking about national defense secrets. I am talking of the much more difficult problem to what extent is the Executive warranted in asserting as a constitutional privilege a measure of privacy in the course of preparing responsible recommendations.

Senator MUSKIE. To use our figure of speech, the human being question, the President would do the job wholly himself years ago was not required to expose his mental processes to public view.

Dean PRICE. Or some of his nightmares.

Senator MUSKIE. He was not required to spread out every consideration that occurred to him in the course of considering the problem and we knew nothing of his thinking on it until his developed thinking reached the point of public expression.

You are saying that the institutionalized President ought to have the same benefit of privacy, the same opportunity to think of alternatives without the risk of criticism of the fact that he is even considering certain alternatives opposed to public view?

Dean PRICE. You have answered your question to me much better than I could.

I would like to add one point to it because I think it is a perfect metaphor for this question. Part of a President's ability to develop a responsible recommendation has to do with the honesty of his staff, not in terms of personal finances, but in an intellectual way. A career man will not come forward with candid views if he knows that recommendations which he makes to his boss will be exposed to public debate and he, personally, will be called to account politically for them.

This is why I think it is very much in the interest of the public and the Congress to insist that the Executive bring forward a responsible recommendation, and not to make it possible for irresponsible permanent officials to take advantage of the temptation to run to newspaper reporters and to congressional committees and to give out information on what went on before those recommendations were decided.

This is why I think a measure of "privacy"—which would be a very much more tactful word than "secrecy" in this connection—would be fully warranted from the point of view of public responsibility. I think this is equally important with the necessary corollary I would just as heartily defend: that nobody in the Government has got a right to withhold facts from the public in order to bolster his own views of policy or his own personal position.

Senator MUSKIE. Would you suggest that decisions made or actions taken by governmental agencies should be taken in private or have the protection of secrecy?

Dean PRICE. I cannot for the moment think of any decisions or actions by Government for which secrecy would be justified unless it really is a national security matter. But I cannot think of many problems that have arisen in this way. By their nature, most deci-

sions and actions affect private citizens and, therefore, cannot be kept secret.

Senator MUSKIE. You are just saying that the period of gestation ought to be a private one.

Dean PRICE. After I shocked myself by the use of the word "secrecy," I looked back to the Federalist essays and here was one by Alexander Hamilton who did not hesitate to specify secrecy as one of the virtues of a strong Executive. The Founding Fathers were not particularly afraid of this word.

Senator JACKSON. It seems to me what you are talking about; namely, the public use of privacy, has a corollary in English common laws. Various communications are privileged in order to further a given public policy, the right of a clergyman in dealing with his communicant, the doctor-patient relationship, the attorney-client relationship—all of these rules that apply in common law stem from human experience. You do have exceptions to the privilege: It is not to say that every attorney-client relationship is privileged or every husband-wife communication is privileged. The same applies in the public domain that we are talking about. Isn't the real objective of it to further the public policy that you are trying to preserve and to protect so that the people participating in it can do their best? They do their best by speaking freely just like they do in the various privileges that I referred to in English common law. I do not mean to be repetitive, but there are exceptions to those privileges and the same should apply in the domain that you are referring to, Dean Price.

Dean PRICE. I would heartily concur in that. Let me speak of one other point in personal terms. I have often written an administrative memorandum to my superior officer heartily and earnestly recommending some course of action, fully realizing that I saw only my part of the business, and my memorandum was going to a superior who had to take other things into consideration, and I would not have wanted my memorandum to be published because it was partial and I knew it was partial. I might have been tempted at times to make it public because I forgot that it was only partial. The protection of the responsible position of the President against the exposure of partial views by people who are not going to take political responsibility is a very important thing.

Senator MUSKIE. I think we should amend your statement by striking out the word "secrecy" and substituting the word "privacy."

Dean PRICE. If I had done so, Senator, you would not have asked me about this point.

Senator JACKSON. That is the political instinct in us.

Mr. KREGER. I would like to explore very briefly just one statement you made. You mentioned a couple of times that it should be easier to remove top staff people from one department, not throw them out of the Government but put them into another agency. Certainly I think that the top man should have people who are in harmony with his beliefs. It also seems to me because we can't move people around we don't get the best man in the job many times. I think that a career man who gets up to a certain level, maybe a \$15,000 level, hesitates to accept promotion. He says "I don't think I want it because I might be thrown out when a new administration comes in." Have you run into that?

Dean PRICE. I don't think there is any question about that. You can think of cases in a good many parts of the Government and I think this is too bad. The military services and the Foreign Service do this better. The position of ambassador can be either a political or career position. If the career ambassador is in one job and the new administration wants a political appointee as an ambassador, he is just moved to another assignment.

Mr. KREGER. Do you have any thoughts as to how this could be worked out with the Civil Service Commission? If we could get away from, say, a schedule C kind of thing, which everyone agrees is political, we could put a man in a department and later move him to another department.

Dean PRICE. I think the specific rules would be quite easy to work out. Something like this was in mind when the idea of the senior civil service that got into such difficulties was being discussed. I think there is no technical difficulty about it, but we must realize that we will have to pay for such a change in two ways. We will have to pay by having a few more jobs at that level just to have a little more flexibility. This is what, in industrial labor, the economists call frictional unemployment. You have to have a few vacancies, you have to have a few people not working for a while or not working at full speed, a few jobs that are frankly designed to take care of assignments like these, and they can be very useful jobs. I can think of very important things that top people can do if taken out of the chain of command for awhile. Then the second thing is, I think, you have to have some central point in the executive branch of concern and responsibility for the development of the top career service. And the Civil Service Commission, by its nature, has not been a particularly flexible or effective instrument in the past in this regard partly because of the rigidity of the laws under which it works. I do not think any complete reform can be made until a change is made in our top personnel machinery.

Mr. TURTS. Going back to the budget, some people have said that one of the most important questions about the budgetary process is whether the great debate on the budget centers on the really significant issues. I wondered whether in your judgment and in light of your experience, the budgetary process now does raise the really significant issues first of all for the President and then for Congress.

Dean PRICE. That kind of general question is difficult to answer categorically. I guess the most serious effort along this line is what is going on in the Defense Department today. There are some people who are profoundly skeptical about what Secretary McNamara and Assistant Secretary Hitch are trying to do. To the extent that they try to have an appropriations pattern that reflects more accurately major purposes and what major resources are devoted toward their accomplishment, they run one very grave risk which no one should fail to mention in discussing this subject before a committee of Congress. That is that if the Budget Bureau or the Congress were ever to yield to the temptation to take advantage of this appropriations picture which reflects more accurately how much goes into strategic offensive, how much goes into tactical weapons, and what have you, if you yield to the temptation to make the strategic decisions that ought to be dealt with within the Defense Department, the efforts of Secretary McNamara and Assistant Secretary Hitch would turn

out to be a disaster. But if we show the mature thinking we can expect in this stage of our history, I think it will be a very great reform. I am very heartily in favor of this effort because the old budget picture in terms of how much for men and how much for different types of munitions just showed nothing whatever about our major policy issues.

It was this notion of performance budgeting that the first Hoover Commission popularized. The reluctance to adopt it came generally from the reluctance to surrender control over specific managerial decisions. But it does seem to me that the budget is the fiscal embodiment of our whole policy, and I believe both the President and Congress have to delegate to a very much greater extent, and should call in their own interest for a budget that presents figures in terms of broad policy issues rather than in detailed managerial controls

Am I being responsive to your question?

Mr. TURRS. I would like to pick up one point in your response. You said it would be a great mistake if Congress yielded to the temptation to employ the new budget presentation for making strategic decisions. Isn't the budgetary process, however, the way in which Congress plays its part in national policymaking?

Dean PRICE. Yes, and the distinction I was calling for is not one that can be very precisely made. I would certainly not say that what someone chooses to call strategy should not be interfered with by the Congress. There are strategic implications in which the Congress should have an authoritative word. I don't think there is a clear line between strategy and other matters. But while there is no clear line, I think that still it is true that both the top civilian political officials of the executive branch and the Congress can easily undertake to decide things they ought to prefer to leave to military strategists.

This line is far too difficult to define and too delicate for me or anyone else, I think, to lay down precise rules.

Senator JACKSON. I have one or two more questions, Dean Price. As we all know, a President has only limited time. How best can he safeguard this for critical and major issues? I wonder if you would speak to the danger faced by any President of using up his time and energy on nonessential issues, ones which could be deferred without cost or delegated. You have touched on certain facets of this.

Dean PRICE. This of course is a very important problem. It is less troublesome I think than it was a good many years ago. I remember in the late forties a number of us were working as staff members on making it possible for the President to delegate a great many very routine little tasks that he had to do. There were some that were quite ridiculous. Most of those have been made possible for him to delegate now. I believe if we compare the President's calendar today with 20 years ago, it will suggest there has been a quite different tradition developing. Not every small town delegation that comes to Washington now expects to see him. He does not sign quite so many minor commissions, et cetera.

Senator JACKSON. I was going to say it seemed to me with the right kind of Cabinet officers, you can prevent some of these things from coming to the President's desk.

Dean PRICE. I would think the President should force such decisions on the Cabinet officers. They don't always want it, of course. There

are inconvenient types of decisions that Cabinet officers would rather have the President make.

Senator JACKSON. There is always a certain amount of buck passing that is inevitable but every now and then, situations have developed where for unknown reasons a rather minor matter will go all the way to the President and he will ask why is this here in the first place. But, again, if the people in the great departments of Government do their job, they can assume that responsibility and there is no need for the President to resolve minor issues.

Dean PRICE. There is no question in my mind that you are completely right about this and there are still ways in which more delegations could force matters off the President's desk and indeed out of the Executive Office.

Senator JACKSON. We all know and we all agree I am sure that people are a key factor in doing the job that must be done. When we are in a hot war we put our ablest people to work wherever they are needed. We don't let pointless obstacles stand in the way and it seems to me in time of cold war we must do the same. Do you not believe that we now let unnecessary things, such as the outmoded conflict of interest laws keep us from getting our best people to Washington? There are other obstacles, too.

Dean PRICE. I completely agree. I believe the old conflict of interest laws, as has been shown by a very sensible study by the Bar Association of New York, do not get at the heart of the problem and impose very silly obstacles to getting good people. This is one of the problems in radically improving the quality of Government appointments and I hope it can be worked on.

Senator JACKSON. Again on behalf of the committee we want to express to you our grateful appreciation for your taking your time out and giving to us the benefit of your advice and counsel. It has been particularly helpful coming from a person like yourself who has had both long experience in Government and who also of course in recent years has had a chance to study these problems from the academic point of view. We are very grateful to you for your excellent help.

A week from today our last witness will be the Secretary of State, the Honorable Dean Rusk, Thursday, August 24, at 10 o'clock. The hearing will be in the Senate Interior Committee room instead of this one.

(Whereupon, at 12:45 p.m., the subcommittee recessed, to reconvene at 10 a.m., on Thursday, August 24, 1961.)

THE SECRETARY AND OUR UNWRITTEN CONSTITUTION¹

(By Don K. Price)

It is comfortable to be able to think in simple, clearcut categories, and disturbing to have them upset by the ruthless course of events. In thinking about foreign affairs, Americans have been going through some such shakeup. As a Nation, we used to make a neat distinction between domestic and foreign problems: the main interest we had in foreign countries outside of Western Europe was to send them missionaries, of either the religious or technical variety, while we went ahead with our business at home. We made a clear distinction between peace and war; force was immoral, except when the Marines had to be called out to preserve order abroad, or unless foreign aggression led

¹ From "The Secretary of State," by the American Assembly, Columbia University, N.Y. (C) 1960. Reprinted by permission of Prentice Hall, Inc., publisher.

to war, in which case there was no substitute for victory. Most important in practical issues, we made a distinction between public and private affairs; Government and private business should not interfere with each other, and we could be almost upset by the notion that munitions makers were influencing international policy as by the possibility of governmental interference with international commerce.

BREAKDOWN OF OLD BOUNDARIES

We have been shaken out of this easy kind of thinking by the events of the past two decades. Among the scholars and the professional policymakers, the evidence is obvious: the new realism dominates the advanced thinking on foreign policy; it emphasizes the impossibility of reforming the world completely, the limitations on our ability to control our environment, and the necessity of facing up to the moral issues involved in the application of force to international issues. Among the politicians, the evidence is equally obvious: a willingness to support alliances and commitments abroad, and to tolerate a program ranging from technical assistance to avowed espionage, which any normal legislator would have thought it immoral to vote money for a short quarter-century ago. The all-out isolationists are as extinct as the one-worlders.

But if we have come to a more responsible (though less idealistic) way of thinking in our foreign policy, we have done nothing of the kind with respect to the measures that are necessary to carry it out. We do not still believe, as Mr. Wriston reminds us that the early Jeffersonians did, that the governmental machinery for the conduct of foreign affairs is going to become unnecessary and wither away in the new age. We do not propose to dismantle the Department of State or the Foreign Service. But we have been guilty of almost as unrealistic an approach—a tendency to substitute slogans for policy, and reorganization charts for the practical and expensive measures needed to improve the competence of our Government officials and their administration.

The importance of the position of the Secretary of State, as the essays in this volume all suggest, is not that any single officer carries the main burdens of America in world affairs. Instead, it is that his position, by standing at the center of our system of constitutional and political and administrative responsibility, reflects so clearly the practical issues that we have to face but wish we could avoid. It is no longer possible for the Secretary to think only about the missionaries, and to leave the Marines and the munitions makers to someone else's conscience. But while he may reconcile all their roles in his own personal system of morals, it is harder for him to get the Government as a whole to think and act with unified responsibility. Institutionally, we have not quite caught on to the fact that the conventional categories have crumbled—it is hard now to recognize the old boundaries between domestic and foreign problems, between peace and war, or between public and private affairs.

It is much easier to realize this in theory, or even to appropriate money to pay for its consequences, than to change our thinking with respect to the way our Government operates. But each of these three changes calls on the Secretary of State to make radical changes in the way he runs his job—and each of those changes involves readjustments of a fundamental nature in our administrative, political, and constitutional system (though not necessarily in our written Constitution).

Take, for example, the distinction between domestic and foreign affairs. It is significant that none of the essays in this volume paid much attention to treaties. The awkward arrangements in our Constitution with respect to the Senate's advice on treaties—which have never worked as originally intended since President Washington stamped out of the Senate in disgust and swore he would never go back again—are among the least of the worries of the Secretary of State; his main instruments of foreign policy are now indistinguishable from domestic policy. Mr. Dickey and Mr. Elliott independently noted that the reciprocal trade program was the decisive turning point in American attitudes toward foreign affairs; before it, the terms of our trade with the rest of the world were considered purely a domestic problem (and for that matter, a congressional rather than an Executive problem, and in practice within the Congress sometimes to be settled by laws drafted by representatives of private interests rather than of the Government). After reciprocal trade, no one could ever suppose again that our domestic and foreign affairs were separable. But we are interested in what that did to the Secretary of State: from that time on, it was clear that commerce and industry and labor and agriculture and

natural resources were not matters that he could ignore and leave to his Cabinet colleagues. And, in view of the way in which the Federal Communications Commission and the Civil Aeronautics Board were set up, neither was the system of independent or quasi-judicial commissions.

Next there is the distinction between peace and war. The Ludlow amendment, which as recently as the late 1930's proposed to require a popular referendum before a declaration of war, is a distant memory; we even look back a little ruefully at our innocence during the Second World War in not being more alert, in the control of our strategy, to its implications for postwar relationships. We may not, as a nation, have learned the theoretical lesson that power relationships in politics do not disappear in time of peace or even under the rule of law, but there are some practical things that we do understand—Communist threats, and the technical feasibility of ICBM's and H-bombs—which lead us to the same end. Then consider the effect of the disappearance of this boundary on the Secretary of State: he can no longer, like Bryan and Wilson, assume that war plans are immoral, nor can he be set aside like Hull from strategy councils when the shooting starts. On the contrary, he is obliged to consider the nature of our military forces and our weapons systems as indispensable factors in the diplomatic equations that he tries to bring into balance; the machinery for the conduct of his relations with the military, and his Department's, must work smoothly and responsively if he is to succeed in his job. As Mr. Acheson, Mr. Bowie, and Mr. Nitze have all suggested from different experiences, this takes some doing.

But much more far reaching in its consequences is the breakdown of the old boundaries between public and private affairs. I do not mean to suggest that there is not going to be any difference between the two in the future, or that there ought not to be; indeed one of the great needs of civilized society is to protect each citizen in his essential privacy. But the old boundaries have collapsed, and this is a source of great embarrassment to those who have committed themselves too uncritically to an identification of democracy with unregulated corporate enterprise. The conservatives who did so, and who objected to the regulation of private corporations in the interests of foreign policy, had their counterparts on the liberal side in those who thought of the munitions makers as "merchants of death" and assumed that it was immoral for the Government to be concerned with the fate of the international oil companies.

These issues still remain, but they are no longer issues in which the interests of Government and those of private companies are thought of as antagonistic; our moral dilemmas are now part of a single system. If anyone doubts that the boundaries are different today, let him reflect on the fact that Mr. Francis Powers, who flew the ill-fated U-2 over Russia, did so (or so NASA announced) on the payroll of a private aircraft company; that technical assistance and international educational exchanges, which have become important arms of foreign policy, are largely conducted by universities and private institutions under contract for the Government; and that some of the most important strategic studies are being made for the military not by staff officers in uniform but by a series of private institutions which began work under the somewhat narrower concept of operations research.

The Secretary, of course, has to worry about all this. He has to be concerned with the extent to which private institutions are supporting the international activities of the Government, particularly of the Department's closely affiliated agencies like ICA and USIA. Moreover, he must be equally concerned with the way in which the breakdown of this boundary between private and public institutions is affecting the public agencies themselves. The basis of our old approach to Government service was that it was a separate calling. Politicians were expected in theory (though not supposed in practice) to serve out of a sense of duty; members of the foreign and military services were separate groups, dedicated by their esprit de corps, their special education, and their isolated assignments to a career of poverty, anonymity, and obedience; and the civil service was not very important and could be disregarded.

But what happens to all this when the pleasures of working on public affairs are extended to the employees of private institutions, who may be paid under Government contracts far more generously than their Government counterparts? If this process continues, why should a promising young man interested in international affairs work for the State Department or the Foreign Service when he can work on the same problems, and go to the same exotic places, on the more generous payroll of a research institution, a foundation, or a private corpora-

tion? And then what happens to ability of the Department of State, and its Secretary, to play a controlling and responsible role in the conduct of foreign affairs? Private institutions are doubtless being brought within the orbit of Government policy, but their superior attractions as employers might unbalance the political system of gravity, and make the Department of State their satellite, rather than vice versa. General Gavin (in his "War, and Peace in the Space Age") has asked rather pointedly whether our strategy is being set by the military staffs or the manufacturers of missiles.

There is no such single lobby with which the Secretary of State must contend, but he may well worry whether, as so many private institutions have become involved in foreign affairs, he can continue to compete for the best talent and maintain as competent a Department as he needs to meet his responsibilities.

In our general approach to international affairs, we have changed from utopians to realists. Morally and politically, we are not so likely to think in watertight compartments about the use of force to safeguard our policy objectives, about the subordination of domestic habits in the interest of national security, or about private and corporate interests as things to be kept quite apart from governmental concern. But we have not yet taken the same step with respect to the ways by which our policies are to be made and the means by which they are to be carried out. Here is an equally difficult set of problems for the Secretary of State. To solve them, it may be necessary to think in the broadest possible terms about the way in which he fits into our governmental system as a whole.

THE CONSTITUTIONAL CONSEQUENCES

Just as it has become harder in recent years to draw the old sharp distinctions between domestic and foreign problems, between peace and war, or between public and private affairs, so it has become harder within our constitutional system to distinguish between the functions of the legislative and executive branches, or between questions of policy and those of administration. Indeed, it is because the former boundaries have broken down that the latter have become almost useless for defensive purposes.

This is not to say that the Constitution of the United States is being flouted or ignored. It is the basic instrument of our Government, and controls the basic distribution of its powers and functions. But as a matter of practical politics, we have fortunately recognized that the basic framework can be preserved best if we do not worship all the incidental apparatus and procedures that the Founding Fathers had in mind. Back of our written Constitution we have developed an unwritten constitution that is much more complex than the unwritten British constitution, and equally responsive to adjustments in the balance of powers and prestige among its several branches.

This is the significance of the point that has already been noted: the most urgent problems of the Secretary of State are no longer connected with the ratification of treaties—a matter governed by rigid constitutional formula—but are those connected with his relationships with the appropriations and legislative committees of the Congress and with his relationships with the President and his fellow Department heads—and on these matters the written Constitution has comparatively little immediate bearing. This development has not been brought about by sheer perversity or a desire of any branch of Government to encroach on another. It rather came about because the Constitution had never foreseen what the new constitutional problems would be, and it has been quite necessary, in order to maintain the general spirit of the Constitution, to work out an unwritten constitution on new lines.

Take, for example, an economic aid program in, say, Taiwan. If the Founding Fathers had been able to imagine such a thing, they might have thought of it first of all as a matter of foreign or military affairs; in such matters the early Federalists were willing to turn full authority over to the President, whose responsibility was spelled out in broad terms by the Constitution. On the contrary, they might have thought that the appropriation of funds for such matters made them the responsibility of Congress. If they had differed on the exact way in which such responsibility would be shared between the two branches, they would have been doing exactly what we are doing today. And the precise distribution of responsibility is adjusted from time to time by a process of bargaining in the light of the balance of various factors—the political leadership of the President, the weight of the expert advice from various parts of the executive, the power of various parts of the Congress to influence the granting or withholding of

money or authority, and many others. We are, at times legalistic and doctrinaire enough, but on issues of major importance we have tended to work out our unwritten constitution pragmatically enough to please a Walpole, and with enough formal deference to tradition to satisfy a Burke.

In general, the balance between the respective influences of Congress and the executive branch with regard to international affairs has probably shifted somewhat in favor of the Congress since the Second World War; at least, as Mr. Elliott has noted, the Congress has invented new techniques and procedures to give its Members and committees a greater share of influence in the rapidly growing business of foreign affairs. But any attempt to assess such a balance in any precise way is rather meaningless, for several reasons.

First of all, neither the legislative nor executive branch functions apart from the other. A public recommendation by the Executive may be supported by the Congress; the general public impression may then be one of harmony and teamwork, even though the Executive in question may have been thoroughly browbeaten by a legislative opposition and scaled his recommendation down to what he thought the political traffic would bear. Alternatively, an Executive may be forever in the headlines for quarrels with "the Congress," when actually he has the firm support of an overwhelming majority, but comes under the implacable enmity of a tiny minority.

The second point is related to the first: neither the Executive nor Congress is itself completely unified. The Foreign Service, or any of the military services, may act almost as independently in dealing with the Congress as any private interest, especially when its corporate interests are affected, and so may various departments and bureaus. This is partly because of their special professional or technical outlook, but partly too because of the pressures that support them and push them in particular directions. These pressures—whether they come from the farm bloc working on the Department of Agriculture and on the agriculture committees of the Congress or from similar interests in other fields—create extreme difficulties for the Secretary of State, whose responsibilities and political position force him to take the most general view in the Government of our national interests, short of the President himself.

Third, the distinction between policy and administration is undoubtedly real and useful for some purposes, but it is impossible to draw precisely, and useless as a boundary for jurisdictional purposes. The breakdown of this boundary is directly connected with the breakdown of the old boundaries between domestic and foreign affairs, and between peace and war. The Department of Agriculture may be charged by law with carrying out a certain policy, and may consider the alternative ways of doing so as a mere administrative issue, even though those alternatives may sometimes seem of great policy significance to the Secretary of State (what are the methods, for example, of disposing of certain surpluses abroad, or the methods by which agricultural attachés in our embassies overseas maintain relations with agricultural interests in those countries?). Or the Department of Defense may look on its responsibility for national security as one which requires it to make judgments about the choice of weapons in certain types of planning on a "purely military" basis, even though that choice may seem to the Secretary of State to have great significance for our relations with certain allies and neutrals.

But it is not merely that one man's policy is another man's administration. For the problems that all would agree to call administrative are of the utmost significance for policy: the ability of the Secretary of State to maintain a competent corps of diplomats and advisers depends on the provisions for compensation, tenure, security, and the "representation allowances" and fringe benefits that are so important to a diplomat and his family abroad; and the Secretary's ability to exercise in practice his nominal leadership in foreign policy matters may depend on the procedural and administrative arrangements under which interdepartmental policy committees are set up.

The vagueness of the boundary between legislative and executive concerns, and the almost complete overlapping of the domains of policy and administration, lead to the most acute frustrations in Washington, especially for the Secretary of State. The uncertainty of the boundary between the powers of the House and the Senate is a further difficulty. These complications also make irrelevant and useless many of the common prescriptions for constitutional or administrative reform. It is indeed frustrating to a Secretary to know that he has the support of the Nation for a major policy, only to see it crippled by technical legislative amendments or by inadequate provision of funds. American political

executives are compelled to look wistfully at their counterparts in Great Britain, where the system of cabinet responsibility permits the Prime Minister to require a House that supports his policy to support also the administrative measures that are required to sustain it. His sanction, if the House refuses, is to dissolve the House and appeal to a general election. But this can work only if all parties are willing to play the game according to the rules. If the Government and the opposition are to take an issue to the people, it cannot be some complex technical problem or some routine problem of management. The only way to prevent such problems from frustrating the system is not to let the House have anything to do with them; the only way to let the Government keep the major issues before the people is to give it full control over the legislative agenda. Both things, of course, are done in Great Britain, which has no House committees with the power to amend policy or control administration, and as a result the parliamentary system works well. Neither was ever done under the parliamentary system of France, which consequently suffered all the frustrations that exist in our system of congressional Government, and executive instability to boot, until De Gaulle provided a somewhat drastic alternative.

An amendment to the U.S. Constitution that merely provided a formal unification of powers—an organic change to make the tenure of the President and the terms of the Congress depend on each other—would not do the Secretary of State (or any other executive) any good. To give him (or, for that matter, the President) full power to unify and coordinate policy would require a further step: the abolition of the power of Congress to amend policy legislation and control administration—which would mean, in effect, the abolition of the congressional committees as they now work. None of the essays in this volume recommends such a course of action. One—Mr. Elliott's—proposes two constitutional changes that would not affect the organic relation between the executive and legislative branches, but that would, I fully agree, do much good by helping Congress to concentrate its attention more on major issues of national policy and less in response to local or factional pressures. These are the proposals for a 4-year term for Members of the House of Representatives, and for an item veto for the President.

But the special problems of the Secretary of State must, as long as we are going to maintain Congress as an independent legislative body, be dealt with mainly by improvements in our unwritten Constitution. That is where the most acute difficulties arise, and changes are (procedurally) easiest to make. Theoretically, the limits of such action are far from narrow. Without even a change in a statute, much less a constitutional amendment, Congress could in effect give its Appropriations Committees almost absolute authority over the executive departments, by the same process of political bargaining by which the British House of Commons took actual administrative power away from the King. (It was well along in this direction at the time Woodrow Wilson wrote "Congressional Government.") Congress will now obviously not do so, because it does not want to, and in any case, the public would not let it. Or at the other extreme, by an equally simple change in its rules, Congress could abolish all its committees and act only in response to recommendations from the President and his Department heads, which would obviously remove our present impediments to coordination and authoritative executive action. That would be much closer to the way things were done under the administration of President Washington, but it cannot be conceived as a practical possibility.

But it is by no means hopeless to assume that we can do, within the limits of our written Constitution, whatever we need to do to make the job of the Secretary of State a manageable one, and to give the President, with his help, a proper degree of responsible control of our international affairs. The record of the past half-century suggests that when the national political leadership—in and out of Congress—is persuaded that changes need to be made, they can be made. During the past half-century we have established the executive budget system, which has been (even if we admit the complaints in the preceding essays about its detailed control of international affairs) the greatest tool yet devised for unifying our public policy; we have created the career Foreign Service, and pushed the civil service upward to provide a career core for our policy-formulating ranks; we have almost abolished the legal independence of the Federal bureau chiefs, and invented a new technique (the reorganization plan, with congressional veto) to let the President gain control over the organization of the executive branch; and we have created a system of policy formulation under the Presidency, through the machinery of the National

Security Council and the Joint Chiefs of Staff, that would have been inconceivable in the days of President Wilson or President Hoover.

It is not hard to imagine that ways can be found to improve the position of the Secretary of State if we can only agree on what we want to do. The preceding essays have noted a number of significant problems, and suggested an approach—or various approaches—to them. Perhaps we can consider some of the major ones, keeping in mind the way in which the breakdown of the old categories in our thinking, and the importance of the less formal aspects of our political and constitutional system, affect our problem.

SPECIFIC PROBLEMS

In discussing some of these specific problems and the current proposals to solve them, it will be most useful, I think, not to try to blueprint them in exact detail, but to suggest an approach to thinking about them. The historical record is unhappily full of cases in which efforts to transfer the definite principles of business management or military organization to the subtle field of diplomacy have resulted in utter frustration. A two-dimension map does not give a good picture of a three-dimension world—to say nothing of the additional dimension of the age of relativity. The ordinary principles of management simply take for granted some important dimensions which are by no means constant in the orbit of the Secretary of State. This leads many of the old State Department and diplomatic hands to say that organization and administration are utterly unimportant (this is often only an introduction to a speech proposing a new organization, or a return to the old one). It may well be more accurate to say that administration as sometimes applied is irrelevant to the main problems of the Secretary of State, but that administration in a higher sense is at the heart of his policy problems, as a result of the recent changes in the nature of international affairs, and of our political response to them. But let us be more specific.

Organization

There are, I think, three main problems of Government organization affecting the Secretary: (1) what functions and powers are assigned to him, by comparison with those of other executive departments; (2) what degree of responsibility should he have for the direction of agencies working exclusively in the international field, but with an operational rather than a diplomatic role; (3) what should be the main pattern of organization of the Department of State itself?

As for the Secretary's relations with other Departments, the most striking development in recent decades has been the growth of staffs in almost every executive department for the management of its international interests. Some of these Departments, moreover, have (in effect) foreign services of their own; Treasury has always managed to maintain the separate status from the Foreign Service of its own attachés abroad (as do of course the military services), while Commerce and Agriculture agents abroad have at times been in and at times out of the Foreign Service. Why, one might ask, does that make any difference, when a series of Presidential orders has affirmed the authority of the U.S. Ambassador over all U.S. Government activity in the country to which he is accredited? One might ask that question, but only if he is extremely unsophisticated, for its answer is the elementary reason why the organization of the U.S. Government for international affairs is not susceptible to the old-fashioned formulas of business management.

The answer to this question is, of course, directly related to the breakdown of the old boundaries discussed earlier in this paper—especially those between domestic and foreign affairs, and between legislative and executive responsibilities. An executive department of the Government is not responsive merely to the executive directions of the President, or organized according to his wishes. It has political traditions and interests and policies of its own. Some of our greatest political errors have resulted from thinking that these elements of stubbornness were based only on partisan connections and motives. In this respect, a Presidential election settles comparatively few of the political issues that the Government faces; only the most conspicuous (not necessarily the most significant) ones can come to public attention in a campaign; and in practice the new President and Secretary of State are then faced with much of the same recalcitrance from the Executive vested interests, and have the same dif-

difficulties in reconciling or adjusting or removing them as would have plagued their partisan competitors.

One thing is clear: the problem cannot be solved by transferring all the international activities of the Government to the Secretary of State. That would be as difficult as transferring to the Department of Justice everyone concerned with the interpretation or execution of laws. The disposal of agricultural surpluses abroad is a domestic problem for the Department of Agriculture as well as an international problem for the Department of State. The same principle applies to the Atomic Energy Commission in connection with locating reactors abroad, or exchanging scientific data with foreign countries; or to the Department of Commerce in its administration of the Export Control Act; or the Civil Aeronautics Board with respect to the licensing of airline routes abroad. The problem is not one of organization in the sense of locating boxes on charts; it is one of organization in the sense of adjusting the various political pressures and bureaucratic interests to produce an integrated program.

In this process, the President and the Secretary of State have all the conventional problems of organization and administration—span of control, the grouping of related functions, communications, specialization, and so on. But they have in addition two broad types of problems that an industrial organization does not: one is the way in which, legally and politically, bureaus and agencies are linked to particular committees of the Congress and to particular interest groups within our economic and social system. The other is the special view of policy that is consequently characteristic of the responsible personnel of each bureau or agency. This is not a matter of "corrupt interests." Some of the most difficult problems come from strict professional and moral standards; Secretary Ickes, to take an example from ancient history, refused to take orders even from the President with regard to the sale of helium to Nazi Germany, since statutes had given the Secretary of the Interior full legal responsibility for that decision.

The most feasible way to help the Secretary of State solve this problem is not by reorganizing the Government to put more functions under him, or even to give him more formal authority. It is, I think, to try to deal with the two underlying causes of his problem noted above.

First, how can Congress, as it deals with a problem that is both foreign and domestic, be induced to give adequate attention to its foreign aspects—when jurisdiction over the controlling elements of that problem will probably be assumed (as Mr. Elliott's essay so clearly points out) either by a legislative committee other than Foreign Relations or Foreign Affairs, or by a subcommittee of an Appropriations Committee. The problem that is usually seen in terms of executive organization is thus, at its roots, often a problem of legislative organization.

Second, how can the top officials of the departments and agencies be induced to take a more comprehensive view of their policies, with due regard to international considerations and the policy of the President and Secretary of State? The primary answer to this question—especially with respect to the top layer of political officials—undoubtedly lies in political vision and political leadership. But an almost equally important part of the problem, and probably the only part that institutional planning can reach, has to do with the career or relatively nonpartisan officials. Reformers are quite properly beginning to worry not only how to protect the career officials from the politicians, but vice versa. And the main aspect of this problem is not the danger of partisan sabotage, but the narrowness of vision with respect to policy and national purpose that is necessarily characteristic of most officials of predominantly specialized education and background, whose career in Government offers them no incentive to think of their problems from a broader point of view.

Within each military service, if not within the Defense Department as a whole, an effort is made to give a promising officer varied experience to keep his outlook broad, and to plan his career so as to hold out for him the opportunity for promotion to high command, and thus to give him an incentive to think in terms of the total mission of his service. The Army general officer may not be able to see things from the Navy or Air Force point of view, but he will at least have had some training and some job assignments deliberately designed to get him out of a specialized rut. The Foreign Service tries, of course, to do the same kind of thing. Amid the somewhat greater political uncertainties of the civil service, however, the civilian officer finds more career safety in distinguishing himself within as technical (and therefore nonpolitical) a specialty as possible. And

this makes it extremely hard for him to adjust his thinking to the kind of policy considerations that ought to be responsive to politics. On the other side, the typical Foreign Service officer of a decade ago was equally likely to think of problems mainly as diplomatic problems, with little awareness of their impact on domestic problems, and little interest in the ways in which new techniques of international action could be brought to bear on foreign problems.

Senator Mansfield, in his evaluation of the U-2 incident (Congressional Record, June 23, 1960) came out for giving the Secretary of State "centralized and firm control over the policies and activities of the various agencies with significant functions in the international field . . ."—and over their public speeches as well! There would be little disagreement, perhaps, over the desirability of giving the Secretary more effective influence in these respects. But what does "centralized and firm control" mean in practice? It is hard to see how the Secretary could be given such authority without the right to discipline those Department heads who resisted his authority, and the right to control their relations with the Congress. Could those elements of power be given him without making him into a Prime Minister, and reducing the President to the role of a constitutional monarch?

A second problem is the relation of the Secretary to those Federal agencies operating exclusively in the international field, especially the International Cooperation Administration and the U.S. Information Agency. The debate has raged for years whether they should be in or out of the Department of State. Each has tried it both ways; it is hard to say how much different the position on the organization chart has made. One is now in, and one is now out of the Department, and the essential problems of organization of both remain the same: how can they be set up so as to be responsive to the guidance of the Secretary of State, while still relieving him of the operational burden of detailed management, or the political burden of accepting responsibility for them before the congressional committees? This is a much more tractable problem than the relationship of the Secretary to the major executive departments, for neither in their political strength nor in the substance of their policies do these agencies have as much of a case as do the other executive departments for a right to compete with the Secretary of State in the shaping of national policy. It should not surpass our political ingenuity to put them firmly under his control with respect to issues that he considers important, while giving them the separate machinery for such matters as personnel and budgetary and financial management that are required if their executive directors are to be held responsible for their operation.

This problem is closely related to the third major problem of organization with which the Secretary deals: the organization of the Department of State itself, and of the Foreign Service. For the relationship of either ICA or USIA to the Department is much like the relationship of one of the functional subdivisions of the Department itself to the geographic units through which are channeled most of the Department's action responsibilities. The Department's Assistant Secretary for Economic Affairs, like the ICA, is interested in the worldwide significance of particular aspects of policy; by contrast, the geographic desk, or the Office of International Organization Affairs, is interested in all aspects of policy that are handled on a particular set of cables or telephone lines. Some of the problems that arise in the relationship between them are tensions that are natural and permanent between any two types of personnel. Others are the result of our gross underestimation of the importance of foreign affairs, and an unwillingness to pay the cost—in talent as well as money—of the conduct of diplomacy. Mr. Wriston has told of the recent efforts to cure these ills. His paper, and Mr. Nitze's, show what an unexpected burden was put on the personnel of the old Department of State and the Foreign Service by the new nature of international affairs. Instead of a small establishment for the protection of the limited American interests and travelers abroad, to be paid for out of passport and consular fees, it began to look like a general staff for the mobilization not only of the entire Government, but of many of the resources of private institutions as well, and for the leadership of a vast network of alliances and—hopefully—of the free world.

At this point, the true measure of the Secretary's job becomes apparent. The Department he heads is not merely one operating department among others. This does not mean that it does not operate in the sense of handling a vast quantity of detailed business, or that it can restrict itself to policy in the sense of merely issuing general directives or guiding principles. Like any other Department, it handles specific cases, and in great quantity. But it differs from the others in

this respect—it must rely on other departments and agencies for support in most of the things it does. Diplomacy is nothing without the military force, the economic support, and the propaganda to back it up—and if the Secretary of State cannot mobilize the help of his colleagues from Defense and Agriculture and Commerce and the rest, he is powerless. This relationship is reflected in the protocol and official relationships of the Foreign Service itself. An ambassador abroad is technically the representative of the President, even though in practice he reports to the Secretary; he is supposed to represent not merely the State Department, but the Government as a whole. The Foreign Service is the Foreign Service of the United States; it includes the representatives abroad of various other Departments as well as State—unless their lobbies can get special legislative support to exempt them. This is why the job of the Secretary of State is, as several of the previous papers have stressed in various ways, in some sense an extension of the Presidency itself.

Interdepartmental committees

During the Second World War, especially as a result of the lessons in staff work they learned from their British colleagues, American staff officers began to make more use of interdepartmental committees. This was to be a timesaver: instead of sending a paper around for several days to be initialed for a good many concurrences, the officer could take the problem into a committee and get agreement the same day. Washington was then full of draft plans for Cabinet secretariats and such machinery to run the committee system; about the time of the first Hoover Commission, I had quite a collection of such plans that had been prepared by Cabinet members, Washington lawyers, General Staff officers, professors, and mere civil servants like myself.

Now committees are becoming fair game for all the critics. They were praised too highly to begin with, and are given too much blame for some of our present difficulties. The crucial problem is not the committees, or the techniques of running their meetings. The real problem is the motives of the people who come to them, and those motives are usually determined by the issues, and the balance of power, between the departments concerned. Nothing in the way of technical committee management can be as important as the question whether the departmental representatives are sent to the meeting to come to an agreement, or with instructions to prevent anything from happening. As every hardening bureaucrat knows, either can happen in interdepartmental, just as in international, committee meetings. But the basic trouble will not be rooted out by abolishing the committees. For the trouble, as has been noted above, is the relative independence of the Federal departments and services and bureaus, with their roots in the independent congressional committees and the special interest groups concerned, and the lack of a system of top personnel with a Government-wide sense of professional purpose.

It has been argued from time to time that the State Department could do without experts in various specialized fields, and rely on the expert staffs of the other executive departments. Mr. Acheson and Mr. Bowie have pointed out the essential limitation on this suggestion; they know very well that expert help in the formulation of an intricate policy can be given only by an expert who is associated with the Department with general responsibility for the policy, and who therefore has some motive to grasp the subtleties of the policy, and of its administration. This will remain true even after we have achieved a great deal more unity in our legislative process and a great deal more discipline within the executive branch. For the time being, the case is even stronger: in many fields, to ask the Secretary of State to rely on the other Departments' experts would be like asking a man with a lawsuit on his hands to take the advice of the other side's lawyers.

This is not to say, of course, that all the Secretary's problems of this kind have come from outside his Department. There have been in the past plenty of cases of lack of sympathy within the departmental and Foreign Services for the policies of a Secretary. These, however, were subject to reform by the processes that Mr. Wriston has described, and in general were less likely to be beyond the power of a strong Secretary to control.

Along with the general distrust of committees has developed an awareness of a much more specific difficulty. This is a modern version of the old query, *Quis custodiet ipsos custodes?*, which, being freely translated, means "Who coordinates the coordinating committees?"

If I have complained about the insubordination of executive departments and the independence of congressional committees, it was only to complain of an excess of a desirable quality. It is necessary to departmentalize a great operation, and impossible to do so without having great overlaps of interest. Hence it is necessary and desirable for strong and aggressive Department heads to state the case for their respective Departments, to see policy from their special points of view, and to be called to account by congressional committees for their discharge of statutory responsibilities. The overlaps and inconsistencies in this process can be adjusted by political leadership, and tolerated in reasonable degree. If an interdepartmental committee is set up to help the President adjust those overlaps or inconsistencies, it can be quite useful. But if such a committee acquires legal status, esprit de corps, and jurisdictional interests of its own, and is looked to by the Congress and the public as the source of policy, the only outcome can be a muddle.

For a Department head assumes political responsibility to the President and the Congress not only for thinking great thoughts about policy, but for seeing that they are put into effect. That is a sobering discipline. But a committee that has a public and statutory status is another matter. It acquires an influence of its own even though it has no responsibility for getting things done, and its responsibility even for advice is diffused. Even if its statutory function is nominally advisory, it feels it has something of a right not to have its advice disregarded, and the executive to whom it reports is never able to decide against its advice without considering the political consequences. Moreover, the formality and slowness of committee procedures are enhanced by the political self-importance that goes with formal status. Most troublesome of all, it is even more difficult to distinguish between the terms of reference of committees than the functions of departments, for the policy questions that ought to be considered by any committee are so broad that they must overlap with the interests of other committees in related fields.

This overlap is only a minor technical problem to be taken care of by good staff work, if the committees in question are merely auxiliary to a responsible system of executive organization—that is to say, if a responsible Executive sets them up without fanfare, and can change their assignments, and membership and disregard their advice when it suits him to do so. But if they acquire a right in the eyes of the public and of the Congress to formulate policy in a given field—and statutory status can hardly mean anything else, no matter how carefully that status is limited to an advisory role—the channels of Executive responsibility to the electorate and the Congress are inevitably confused.

The Secretary of State has been the chief loser from his tendency to set up highly formalized committees at the policy level. It may have been inevitable, since the Department of State at the end of the Second World War was certainly not equipped by its experience and traditions to become, in effect, the President's chief coordinating agency for executive branch policy. Since something had to be done, in several important fields, the result was statutory committee machinery: the National Security Council in 1947, the National Advisory Council on International Monetary and Financial Problems (NAC) in 1945, and in 1958 the National Aeronautics and Space Council.

The NSC was originally set up as the key instrument in an effort to integrate national security policy while avoiding the complete unification of the armed services; the result was to put into a committee—and a committee in which the military departments were equipped by their massive staff facilities to play a disproportionately influential role—much of the responsibility for policy formulation that might have been assumed by the Secretary of State. Similarly, the NAC was set up by statute in 1945 to coordinate all departments' policies "in the making of foreign loans or * * * in foreign financial, exchange, or monetary transactions." The statute was a victory for the Treasury over the State Department; the Secretary of the Treasury was made Chairman of the NAC, and his staff became its secretariat.

The Hoover Commission in 1949 supported the traditional opposition of the Bureau of the Budget to the creation of other statutory committees with fixed membership and agenda, and raised the question how the President might bring the committee system under control. In the meantime, ways had been found to keep the worst of the potential difficulties of the statutory committees from developing. From the beginning of the NSC, the President and the NSC staff took pains to make it clear that the President could invite additional members to the NSC as he wished, and that its recommendations were purely advisory to him.

The issue had become clear by 1958: When Congress forced the Space Council on the President, it soon became obvious that this was to be given little importance in the policy councils of the White House. On major issues, of course, the Secretary of State can always appeal personally to the President against any committee recommendation. But we are still far from managing our interdepartmental committees with the flexibility and coordination of the British model, which we tried to imitate rather uncritically at the end of the war.

The President's Office

For the purpose of coordinating the international aspects of Government policy, the obvious alternative to the creation of committees is the development of the President's staff. The Executive Office of the President was created in 1939, absorbing the Bureau of the Budget which had served as Presidential staff (although formally in the Treasury) since 1921. Its location in the Treasury had been a handicap, since other executive departments, who naturally disliked budget reviews anyhow, objected especially to being reviewed by a Department of equal status. It was much easier for the Bureau to help in the exercise of Presidential authority when it became formally attached to the Presidential Office.

The same argument has been used to justify machinery in the Executive Office for the coordination of international policy: the Department of State, being merely another department, cannot be given the job of coordinating its sister departments; that job has to be assigned to an agency in the Executive Office. It was partly on this logic that the Office of the Director for Mutual Security (the Harriman office) was set up in the Executive Office in 1951; similar arguments have held that in interdepartmental committees (like the NSC, or the Operations Coordination Board which is now subordinate to it) the Department of State is merely another member.

The difficulty with this line of reasoning is that it would lead the President, for the control of international policy, to set up in the Executive Office a competing Department of State. Special Presidential assistants in the field of foreign affairs have, to put it mildly, found it somewhat difficult to work out their role without encroaching on the Secretary's jurisdiction.

But the problem remains: how can the President be given more effective assistance in the direction and coordination of the international aspects of national policy? Is this a job for the Secretary of State, or should some new office be created? Several proposals have recently been put forward. Generally they fall into four types:

1. Some recommend, as did former President Hoover in 1955, an appointed vice president for foreign affairs. This usually means the creation of a new position, and the granting of its basic powers, by statute.

2. Others (like Senator Mansfield in the speech already quoted) would give the Secretary of State definite authority over other departments with respect to their international policies or decisions.

3. Governor Rockefeller, drawing on his former studies as Chairman of the President's Advisory Committee on Government Organization, has recommended the creation by statute of a new officer—the First Secretary of the Government—who would not have statutory power in his own right, but exercise authority only by delegation from the President. Statutory provision would be necessary, however, to let him be confirmed by the Senate, serve as Executive Chairman of the National Security Council, and have the power to reorganize and direct all of the interdepartmental planning machinery of the Government relating to national security and foreign affairs. While he would not be directly in command, in his own right, over the Department heads, he would be superior to them in status, and would be expected to attend for the President international meetings of Prime Ministers.

4. The Brookings Institution, in a study for the Senate Foreign Relations Committee, rejected the idea of a super-Cabinet officer, and recommended instead (a) a somewhat stronger grouping of staff functions in the Executive Office, and (b) the creation of a Secretary of Foreign Affairs, to be Vice Chairman of NSC and to have actual power of direction over three Cabinet colleagues: the Secretary of State, in charge of the State Department, and a new Secretary (and a new name) each for the ICA and USIA.

The first two types of proposals run into the obvious difficulty of defining just what issues are international. An issue can be stated as purely international in abstract terms, but the actions to carry it out almost always involve domestic policy as well. How can a Presidential deputy be given real authority over international affairs, without almost unlimited authority over the departments?

But to give a single officer full authority over a major part of all Government business might well leave the President wondering what he was elected to do. The power of appointment and removal, especially when complicated by Senate confirmation, is hardly enough to let the President feel comfortable in keeping on top of such an officer, when political factions might group around him to seek to exploit any shade of difference between his policy and the President's.

The third and fourth proposals are, of course, more sophisticated. Both seek to make it clear that it is not possible by statute to put another officer in the chain of command between the President and the Secretary of Agriculture, or the Secretary of Defense. Both would create a new office, of higher rank than the Secretary of State, in order to symbolize the supreme importance of international affairs in our national policies. They differ as follows. Governor Rockefeller's proposal would give a new First Secretary no direct command of any operating department, and will justify his status only by making him the President's staff agent for all international interests, and by putting him in charge of all the committees and staff agencies that deal in that field. The Brookings proposal, on the other hand, would give a new Secretary of Foreign Affairs "general directive authority" over what are now State, ICA, and USIA: by making him Vice Chairman of NSC, it would try to enhance his ability to give leadership to other departments, especially Defense; but it would create a separate officer to head the staff units for international affairs in the Executive Office.

One obvious difficulty with the "First Secretary" proposal is an ambiguity in the status of the office: To give an officer higher rank and pay by law than the department heads, and to send him to meetings of Prime Ministers, suggests a role quite different from that of staff officers who operate only as a part of the Presidential Office—such as the Assistant to the President, or the Director of the Budget. If he cannot make decisions and give orders to the Defense Department, for example, could he qualify as a representative of the United States at a meeting of heads of governments? Or for the higher rank and pay that proposal implies? And if he does pretend to this degree of influence, can his role be acceptable either to the President or to the heads of the executive departments?

By avoiding this difficulty, the Brookings proposal runs into another one. The Secretary of Foreign Affairs would, like the present Secretary of State, be only first among equals among the department heads, but he would have under him three operating departments also headed by Secretaries of Cabinet rank. The analogy of the National Military Establishment, before the creation of the Defense Department, suggests the obvious problems that he might encounter. Congressional committees are not always willing to listen to the head of a subordinate department as long as they can summon the occupant of a higher office that has been made responsible by law, and hence publicly accountable, for the conduct of a program.

The source of this difficulty, therefore, is the same principle that complicates the "First Secretary" proposal: if Congress gives an officer definite functions and powers, it is natural to consider him publicly accountable for their exercise. It is likely to cause confusion, therefore, to give responsibility for a certain decision by statute to a department head, and by statute to give another officer (or worse, a committee) the duty of determining the policy to guide that decision. That difficulty does not arise—or at least it arises in much less acute and more acceptable form—if a department head is obliged to make his decision conform to an authority that derives unmistakably from the President's constitutional power. The department head, as a politically responsible member of the President's administration, cannot then refuse to accept responsibility for whatever he has done or failed to do.

The most important question, therefore, to ask about all these proposals is not whether the President's coordinating authority should be organized in one detailed fashion or another, but whether such matters should be governed by statute at all. What is being considered here is the inner working of the President's constitutional authority to supervise and coordinate his subordinates, especially in a field in which the fullest executive discretion has always been considered proper. From the beginning, Congress has always considered the Cabinet, for example, as an institution which had no statutory existence, and could be managed secretly by the President as he saw fit, and it has never undertaken to define the functions of the Secretary of State except to say that he was the President's man, to do as the President pleased. All this was recog-

nized from the beginning as essential to the unity and dispatch of Executive business; moreover, it was a deliberate choice, in sharp contrast to the practice of several of the States which had formal executive councils to restrict the Governors' discretion.

If this original principle is sound, and if it should be applied to the modern working of the President's inner councils, the only legislation that would be required would be to grant the President authority to organize his Executive Office, and assign duties within it, in any way that he sees fit; and to fix responsibility on the President, rather than on any subordinate, for any exercise of authority over the operating departments. This is not particularly novel doctrine; it was recommended explicitly in 1949 by the first Hoover Commission. If it were put into effect today the President could work out the delicate balance between the use of his immediate staff, and the use of the Secretary of State (by whatever title the man in charge of our foreign affairs department might be known), to help guide the development and execution of policy. If this can be done, the practical requirements of the situation might show that the State Department is, by necessity, as much a staff agency to the President as any part of his Executive Office. The title of the Secretary of State, and his symbolic custody of the great seal and countersignature of every Presidential appointment, show that he was originally thought of as the President's first minister and chief of his secretariat; the intricate interweaving of international affairs with domestic policies may require him to move back toward that combined position, or toward an agreement by which his influence is the most weighty—short of the President's—in guiding the policy judgments of those who manage staff work and committees for the Executive Office.

PERSONAL AND POLITICAL RESPONSIBILITY

Such a development would add to the obligations of an official whose job is already too demanding. But the nature of his responsibilities are such that he cannot carry them unless his influence in the policy councils of the President is strengthened, and unless the policies which he helps make receive more systematic support in the Congress and the Nation.

In one sense, any executive's job is "too big for one man"; that is why he organizes it, and delegates duties and functions. But the job of the Secretary of State has been too big in another sense: he has been expected to do what nobody could, for he lacked the command over the personnel and the resources to do his job. The reason was that the American people—and consequently, the Congress—did not realize that his job required the use of the best of our human and material resources, and major changes in the ways in which all parts of the Government, and nearly all parts of society, were going about their affairs. The breakdown of the old boundaries between foreign and domestic affairs, between peace and war, and between public and private concerns changed the Secretary's job in a fundamental way, and only some considerable changes in our unwritten constitution could make it tolerable.

It is important to make it tolerable, of course, not in order to spare the Secretary as a human being, but because his job is a barometer of how well our Constitution is meeting its new challenge. The success of reforms in the position of the Secretary will not be measured in terms of his contentment, but of our safety and welfare—to say nothing of the rest of the world.

The problem is basically political and constitutional in nature; if those aspects can be handled adequately, the managerial ones will follow. The Secretary must be the principal subordinate in an administration put in office by the party vote, yet he must command nonpartisan or bipartisan support. The record of the past decade or two is encouraging in this respect; the President and the Secretary have generally found support in the Congress from Members and leaders of the opposite party for their major objectives, and this has not precluded vigorous criticism and amendments of administration proposals. It is necessary at the same time both to keep the channels of dissent and disagreement open, and to facilitate unity of action on the fundamental policies on which majority support, from both sides of the aisle, can be found.

In this process, the national leadership of the President and the Secretary is an essential part of the legislative process. If that leadership is to be effective, it must keep the public informed of its problems and its policies; as Mr. Dickey has suggested, this may argue that the Secretary should be more free to use the public affairs machinery of the Department to get information to the nonpartisan organizations concerned with foreign affairs, and into the channels of mass

communication. And as Mr. Elliott has noted, it would be in the interests of the responsible working of Congress as well as of the Executive if procedures could be adopted to strengthen the internal discipline of the legislative process, and to make the congressional committees more responsible to the policies of Congress as a whole.

Within the Executive policy councils, Mr. Acheson and Mr. Bowie have pointed out, the problem is not one of passing laws to give the Secretary more authority over his colleagues, but of setting up working relationships with the other departments in which the Secretary's opinions carry the weighty sanction of the President's confidence and support. This can be done only if the Secretary is supported by a staff which is not only subject to discipline, but itself comprehends the new nature of foreign policy and is skilled in helping to manage its relationship to domestic affairs. As Mr. Wriston has noted, this requires an effective union between the departmental and Foreign Service, adequate training and career rewards, and a proper balance between those divisions dealing with the political, and those dealing with the economic and cultural, aspects of diplomacy.

The Department of State and the Foreign Service as they existed at the end of the Second World War did not provide such a staff. They had been the victims of a vicious circle. For lack of adequate funds and support, and adequate tours of duty at home, the Foreign Service had been confined to service abroad in strictly diplomatic and consular duties. Consequently, it had no opportunity to increase its competence in the newer aspects of international policy, and looked on the foreign aid and information policy of the war period as temporary nuisances to be dropped as soon as it was possible to get back to normalcy. This attitude gave the President and the Congress further reason to distrust its sympathy with progressive policies and its ability to supply the specialized skills needed in the new diplomacy. While the Foreign Service had its faults, there was on the other side something akin to the same utopian overconfidence that had characterized the Jeffersonians; if President Roosevelt did not believe that we could dispense entirely with a diplomatic service, his attitude was probably summed up in the (perhaps apocryphal) wartime story that he had remarked that he would be satisfied if the Foreign Service would only stay neutral. It was probably inevitable, under these circumstances, that the Foreign Service would draw into itself in a self-protective attitude, would not get the support it needed for its proper development, and would find it had to adjust to the demands of an age of cold war, a scientific weapons race, long-term economic and cultural aid to the revolutionary states of Asia and Africa, and diplomacy through international organizations.

Mr. Nitze has pointed out the ways in which the new techniques of diplomacy have followed from the new nature of international relations, and how in consequence the job of the Secretary of State, like that of the Foreign Service, has had to try to adjust to the necessity of operating not as a sideshow to the Nation's main political circus, but in the center ring. And the demands on the Secretary's position do not stop at the boundaries of our national political system. In some sense we are adjusting to a new system of alliances and international organizations in which the Secretary is, with the President, in the world spotlight. Whether he can do his job will be a test not only of him as a person, but of our national system of political responsibility, and its ability to fit into the international order of the future.

For while he is going to have to rely for a long time for his strength on the military and their munitions, any enduring peace will have to be built by the more complicated efforts of the missionaries of cultural and political and economic change. This will require the tying together of international as well as national programs; before we have learned to coordinate our domestic departments we are obliged to try to lead the United Nations. We will have to find ways to help the Secretary of State to make his role effective as the principal agent of the President, and a leader of national opinion, if we are to call a free world into existence to redress the balance of the cold war.

STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

THURSDAY, AUGUST 24, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to recess, in room 3110, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, Mundt, and Javits.

Present also: Senators Stennis, Symington, and Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fossdick and Brewster C. Denny, professional staff members; and Rod-erick F. Kreger, minority counsel.

Senator JACKSON. The subcommittee will come to order.

Today the subcommittee is holding the closing hearing in its non-partisan study of the staffing and organization of our Government to meet the increasing severity of the Sino-Soviet challenge.

In the series of hearings held this summer, like those the subcommittee held last year, we have taken a careful and frank look at the way our Government plans and manages national security policy. These final hearings have been focused on the central problems of making and executing policy by the Departments of State and Defense and by officials at the summit of the Government.

We are greatly privileged to have with us this morning the Secretary of State, Mr. Dean Rusk.

Mr. Rusk has come to his key position in the Government with a broad experience in the area of national security. From 1934 to 1940, he was associate professor of government and dean of faculty at Mills College. During World War II, from 1940 to 1946, he served with the U.S. Army, and from 1946 to 1947 he was special assistant to the Secretary of War.

Mr. Rusk has had a distinguished career in the State Department as Director of the Office of United Nations Affairs from 1947 to 1949, as Deputy Under Secretary of State from 1949 to 1950, and as Assistant Secretary of State for Far Eastern Affairs from 1950 to 1951.

From 1952 to 1961 Mr. Rusk served as president of one of the great private philanthropic foundations—the Rockefeller Foundation. Then, again, he answered the call to public duty in Washington.

This will not be Secretary Rusk's first contribution to our study. When the Council on Foreign Relations in New York generously made our subcommittee's project the subject of one of its study seminars

high officials, there usually results added urgency and a more thorough consideration of the problem than would otherwise have been possible.

In most cases, the head of a task force is that person, such as the Assistant Secretary of State in charge of the appropriate regional bureau, who would normally be responsible. Interdepartmental coordination is assured through the membership of representatives of other agencies involved. Task forces will continue to have a useful role; however, they can be costly in time and personnel and should not be used for ordinary operating problems.

Although a number of other departments and agencies are concerned with national security policy, as is indicated by the statutory composition of the National Security Council itself, the other great department of Government most intimately involved is, of course, the Department of Defense. In his excellent statement to your subcommittee, the Secretary of Defense has given a thorough description of the cooperative relationship developed between the Departments of Defense and State. Perhaps the most important and from my standpoint the most pleasant aspect of this is the very satisfactory personal relationship which I enjoy with Secretary McNamara. This makes it possible for us to discuss matters of common concern with the utmost frankness. As a result, I believe that we are achieving a close coordination of foreign and defense policies.

As Mr. McNamara pointed out, there are frequent regular and ad hoc meetings between officials of the two Departments, including the Joint Chiefs of Staff, which give depth to this cooperation. On our side, we have created the Office of the Deputy Assistant Secretary for Politico-Military Affairs, to assist the supervisory level of the State Department in the management and conduct of all the Department's relations with the Department of Defense, including the Military Establishment. It is intended to provide leadership on such matters within the State Department, and thereby enable it to fulfill more effectively its role of providing timely political guidance to other governmental agencies on politico-military matters.

With regard to broader training of personnel, Secretary McNamara told you of the present stage of the State-Defense exchange program, and I fully share his favorable preliminary impression of the results. In addition, State now has 32 officers on detail to the Department of Commerce, as well as some 15 divided among other important agencies such as Treasury, Labor, CIA, USIA, and ICA. We are also reviewing the respective training courses for senior officers in the war colleges and our Foreign Service Institute with a view to better integration of training and matters of high level concern.

Mr. Bell's testimony dealt fully with the very important question of the relationship between the Department of State and the Bureau of the Budget in matters affecting national policy. As he pointed out, arrangements have been made which assure that cost and budget considerations are worked into programs of military and economic aid, regional and country planning, and into the reports of the task force, at an early stage in their development.

One of the most difficult and longstanding problems of the Department of State has been its complex pattern of relations with other departments and agencies of the Government on international economic, commercial, and financial matters.

As you know, the President earlier this year abolished the Council on Foreign Economic Policy and emphasized the role of leadership which the Department of State must play in the development and coordination of our foreign economic policies. This role involves contacts with other departments and agencies at almost every level, but the principal responsibility for exercising the Department's leadership in this field rests with the Under Secretary of Economic Affairs, George W. Ball. To assist him in dealing with issues which require high level policy consideration, there has recently been established an arrangement whereby the Under Secretaries of the departments principally concerned with economic and trade matters hold regular meetings to discuss these issues.

Scheduling of matters for consideration by the National Security Council is normally arranged by the President's Special Assistant for National Security, Mr. McGeorge Bundy, working in close cooperation with the appropriate officers in the Department of State and other departments and agencies. Responsibility for presentation is assigned to the department chiefly concerned. An effort is made to present issues in breadth and depth and in terms of the alternate courses of action offered. Once a decision is taken by the President, clear responsibility is assigned to the appropriate agency, in most cases the Department of State, for the coordinated execution of the agreed policy. Thus, the principle of departmental responsibility, which was emphasized in the excellent presentation made to your subcommittee by Mr. Don Price is adhered to throughout.

In conclusion, I should like to say that in my judgment the present system does go a long way toward meeting the objectives recommended by your subcommittee. But at the same time I do not wish to imply that we have no problems yet to resolve. We will continue to seek for ways of providing the President with ever greater flexibility in focusing his attention, and that of the Cabinet officers involved, on problems requiring high level decision.

Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Mr. Secretary, for your very fine statement.

I should like to start out by asking how many appearances have you made, if you remember, before congressional committees this year, roughly?

Secretary RUSK. I would think, sir, that the number would approximate 20 in one form or another.

Senator JACKSON. Some of us feel quite strongly, you know, that this is a great drain on your time. I wonder if you have any suggestions, for example, as to whether or not it is possible for the executive branch to make an overall national security presentation to joint committees here on the Hill? National security today is an indivisible subject and the State Department is the orchestra leader in pulling all the elements together.

I think we are reaching the point where we certainly need to look at the whole picture, at least at the outset.

I wonder if you have any comments on that?

Secretary RUSK. Mr. Chairman, if I appear to make an admission against interest, perhaps you will forgive me.

I, myself, do not regret the time that I spend with the important committees of the Congress. There are occasions when joint consultation would be convenient and would be helpful in saving the pressures on the Secretary's time. On the other hand, this is a country which moves by consent. It moves through the cooperation of the executive and legislative branches.

I have found that in these consultations with the committees of the Senate and House of Representatives that the exchange of ideas, particularly those which can occur in executive session, are a very important part of the process of forming national policy.

Some of the most experienced individuals in public life, who have been dealing with foreign policy matters for long periods of time, are found in these committees.

So that my own thought would be that if there were other ways to save time that this consultation between the executive and the Congress is time very well spent.

Senator JACKSON. I agree that a lot of good can come from an exchange of ideas. But I think a lot of effort is duplicated on the Hill. We do a lot of complaining about duplication in the executive branch but I think we have room for improvement up here.

It is not a very fair question to ask you, but I would hope that maybe some initiative might come from the executive in the way of a suggestion that in the area of national security we can start out next year or the year after with a broad presentation of a whole package of problems that are inherent in our national security effort.

It took the executive branch, Mr. Secretary, to come up with the Defense Act of 1947 which, by its very enactment, forced the amalgamation of the Military Affairs and Naval Affairs committee into one committee, the Armed Services Committee. Maybe some executive prodding will force us to get our own house in order.

Secretary RUSK. There have been occasions when it is possible to draw leaders of different committees together for consultation on a very informal basis.

I must confess, Mr. Chairman, there are times when it does appear to be a bit strenuous to appear on the same subject before four different committees and try to say the same thing in four different ways.

Senator BUSH. And not try to contradict yourself.

Senator JACKSON. Mr. Lovett told us last year that one important attribute of the Secretary of State was his availability in Washington where he can be near the President and give leadership to his Department.

Mr. Secretary, you seem to have had even less luck than some of your predecessors in avoiding travel abroad.

Could you give us a rough estimate as to how much time you have had to spend out of the country since you have taken office?

Secretary RUSK. I have made I think five trips out of the country. Once to SEATO, once to CENTO, once to NATO, the Geneva Conference on Laos, and recently the Foreign Ministers' meeting in Paris. These had various lengths but averaged about a week apiece.

Senator JACKSON. The questions I am asking in this area—I want you to understand—are sympathetic and we want to find some way in which this could be eased.

Have you given any thought to possible approaches that might ease the travel burden?

Secretary RUSK. This is a matter, Mr. Chairman, in which I obviously have a keen interest. I had an interest in it before I came to my present office and had the temerity to deliver some lectures on the subject in New York a year ago. Fortunately, the lecture on the Secretary of State was not published. But I do think that a Secretary should try his best to occupy his post in Washington to the maximum extent possible. I do not believe that he can, however, make it a matter of dogma. He has to be able and willing and ready to do what has to be done to support the national interest.

When I took office I found that there were three important meetings that were scheduled and that it was considered to be especially important that the Secretary of State of the new administration attend those three stated meetings of three of our alliance organizations.

I have, however, discussed this problem with my colleagues, the other foreign ministers, both at such meetings and as I have seen numbers of them coming through Washington on visits.

There is a gentle effort going on among a number of foreign ministers to organize a trade union of foreign ministers to create more tolerable working conditions.

One of the opportunities we do have, which is convenient to the Secretary of State for geographical reasons, results from the fact that foreign ministers are in the increasing habit of attending the first portion of the General Assembly of the United Nations.

I think that where they are together, various groupings of them can consult each other and individuals can see each other, which may serve to take the place of at least some of the travel which has been growing.

This is not just a problem for the Secretary of State. It is a problem for all foreign ministers.

The burdens of schedule upon foreign ministers are getting to be very heavy indeed.

Senator JACKSON. Mr. Lovett last year before our committee suggested—and I believe, Mr. Herter, then Secretary of State, endorsed it here—that an international conference be held on the problem of protocol, to revise present practices and come up with some sensible procedures.

Have you given any thought to that or has anything been done in that area?

You were about to touch on it in your last answer.

Secretary RUSK. Yes, sir, I think that that is a matter which ought to be studied further.

There have been some steps taken to simplify protocol itself, but I think there are more measures that could be taken to reduce the impact of formality on the conduct of intergovernmental relations without damaging the uses of formality in preserving a dispassionate and impersonal exchange among states.

I do think we need to review internationally the procedures by which we conduct intergovernmental business. We do not wish to get into such a position that if a question is taken up by an ambassador it is considered to be unimportant merely because only an ambassador

took it up, and that if a matter is of considerable importance, a foreign minister has to take it up, and that really important matters have to be taken up through chiefs of government.

This is a sort of inflation of the currency of diplomacy which is moving us in the wrong direction. We should try to get a common agreement among governments that questions of prestige will not become attached to the channels of intergovernmental communication, so we can simplify, expedite, and clarify these intergovernmental relationships.

I think it would be an unfortunate thing if, when governments speak to each other, too much special importance is attached to the channel through which they speak because, after all, it is governments who are speaking.

I think this is a matter which does need further study.

It perhaps could only be dealt with eventually by systematic international consultation.

Senator JACKSON. What about the use of Ambassadors at Large? Do you find this can be helpful in easing some of the burdens of your Office?

Secretary RUSK. This helps some; indeed, Ambassadors at Large can fulfill a very important role. As a matter of fact, Ambassador Philip Jessup was appointed Ambassador at Large with the thought that he might take the place of the Secretary of State in certain international meetings and negotiations. This did not work out fully as expected because other governments would not look upon a substitute as the equivalent of a foreign minister. But, nonetheless, a special Ambassador such as Ambassador Averill Harriman can play a very important role as the personal representative of the President or the Secretary of State in ad hoc special consultations with the heads of other governments.

Unfortunately, Ambassador Harriman at the moment is rather pinned down in a conference at Geneva and is not immediately available for the broader role, but he is a superb person for that role and it was on that basis that we asked him to take on the assignment.

Senator JACKSON. The Russians have a way of keeping our people pinned down in a conference in a given place. We hope it is going to be over in a few days or few weeks but it goes on for months and months impeding, along with other matters, our objective of making flexible use of our Ambassadors at Large.

Mr. Secretary, it seems that a new country is being born about every month. Is this not enormously increasing the protocol burdens of your Office. I am referring, of course, to official receptions, greeting foreign ministers, and all that sort of thing. Is there anything of a practical nature that could be done in this area?

Secretary RUSK. I think there are some steps which, with the understanding of our friends abroad, can be taken. Washington is a very busy capital with a hundred foreign representatives here and others on the way as new countries come into existence. We are trying to simplify it and, with the understanding of our friends, I think we are making some headway.

For example, by arrangement with the dean of the corps there is now a morning reception once every 2 or 3 months at which new ambassadors in Washington meet their colleagues. This takes the place of the

formal calls which are traditional in diplomacy. This takes the place, for example, of a hundred calls made by each Ambassador upon arrival and the hundred return calls which his colleagues in the diplomatic corps will be expected to make on him.

Also, the diplomatic corps is good enough to recognize that although they know I should like to be at the 100 national day parties that I will not be at any one of them. My wife, bless her, is good enough to go to all of those in my behalf.

These are matters which can improve the time problem of the Secretary of State. He just cannot enter into formalities of that sort.

We have had a rather busy schedule of visits in this first 6 months. I think that is normal in a new administration. Washington also lies in the path of a good deal of travel and I have had the chance to see a great many of my colleagues from abroad. This does take time but it is extremely rewarding and I do not, myself, regret the time spent in conferring with these distinguished people who manage to come through Washington at one time or another.

I think, on the whole, we are moving toward simplification of purely formal aspects of the task but, of course, it means that even so a Secretary has very little private life of his own.

Senator JACKSON. We are glad that we are making some progress in that area.

I wish we in the Senate could work out some kind of a program for our own ceremonial functions. There are certain things you have to do and cannot avoid. No matter how much we talk about it we end up doing a very large amount of work in this area.

Mr. Secretary, as you undoubtedly know, this committee and witnesses before it and, of course, the President himself, have taken the position that the Secretary of State must be the President's first adviser in national strategy and national security affairs, in fact as well as in theory. In other words, we see the job of the Secretary of State and his Department as going far beyond the bounds of practicing diplomacy in the original sense of that word.

Last week Dean Don Price told us that the job of winning back the primacy of the Secretary of State in international affairs "cannot be done simply by enunciating a principle or enacting a law but it will take years to build up the necessary personnel and institutional habits."

My question, Mr. Secretary, is this: What do you see as the toughest problem facing you and your Department in staffing and organizing yourself so that you can do the job that the President has laid out for you?

Secretary RUSK. Mr. Chairman, if I might make a preliminary comment as to just what the nature of this job is, then it might set the framework for the specific reply to your question.

I think we need to bear in mind that the business of the Department of State or the substance of our national security policy is a world over which we ourselves do not have control. We are dealing with a hundred or more other sovereign governments in different parts of the world with different cultures, different national interests, different outlooks on the world scene. This world scene is in a stage of massive transformation, including great revolutionary movements such as the revolution of nationalism, the revolution of rising ex-

pectations, and the impact of the revolution of science and technology, as well as the pressures which the Communist bloc are putting behind their doctrine of the historical inevitability of this revolution.

All these things are producing a world that is in rapid change in a considerable amount of disarray. It is this role with which we have to deal.

Further, the United States has, itself, emerged in a new position of responsibility simply because of the position in which we find ourselves after World War II. In power and economic strength and in vitality, we have found ourselves in a position where what we do and what we do not do become themselves important decisions which affect what is happening in the rest of the world.

Now we are in a rather special position in the conduct of our foreign relations in this country. In a certain sense influence on American policy is a primary target of any other foreign office in the world. In a certain sense if we do not act we have already made a decision. We have an influence to shape the course of events by action or inaction which imposes upon us sometimes a frightening responsibility. It involves us in questions which, taken together, may well be passing beyond the competence of the mind of man to handle, in the complexity and the pace of the matters with which we deal.

I would like to emphasize pace as well because this has to do with some of our problems in the Department of State. The pace of events has, itself, been revolutionary. I think that others have used the metaphor that we must lead with our sights in trying to work with the future if we are to come on the target of the present.

One of our problems is that we try to keep not just abreast of events but ahead of events in our approach to these surging world affairs.

Now, all of this means a transformation over a period of time, of the role of the Department of State and of the United States in the world, and the demand made upon the personnel of the Department of State. It means a revolutionary transformation of diplomacy itself.

So that is the task in front of us and our problem is to try to keep up with it.

Now, that means professional staff in the Department who are involved in problems which contain almost every aspect of national life. They involve problems which ramify into every part of the world.

Any action taken on one important matter in one place sends a chain reaction of effect in every other important problem with which we are dealing. It means officers who understand these chain reactions, who not only can deal with the specific problem before them but can understand the effect of what we do upon every other problem in front of our Nation. It means officers who not only are equipped on political matters but on scientific matters, economic matters, cultural matters, because we are involved totally in the network of our relations with other countries.

It now means more and more management. An Ambassador of a substantial embassy in an important country has a first class management problem on his hands.

It also means making a desperate effort to try to anticipate, to look ahead, so that if we do not act we do not act on purpose; so that if we delay it is intentional delay because everything we do has something to do with what happens in the rest of the world.

So I would say that one of our most important tasks is the training and preparation of the personnel of the Department of State to think as a government, to try to imagine themselves in the position of the President, and to think broadly about the world scene and what we are trying to do, so that the immediate decisions that are taken become a part of a consistent pattern of national policy. In doing so, we must also be sure that we are talking about national policy as it is reflected in the actions of other agencies and departments of the Government. This is a very large task involving comprehensiveness of thinking as well as a pace of thinking, if I might say so, which takes the best team that we can possibly put together. We have not achieved yet what we hope to achieve, but it is an endless task toward which we are constantly working.

Senator JACKSON. I certainly agree with your excellent statement of the problem. It is almost an unbelievable task when you consider that we have departed from traditional diplomacy and from the traditional concept of the role of the Secretary of State. The Secretary of State has to have full cognizance of and must pull together all of these elements you mentioned—science, technology, economic forces, and so forth; as a matter of fact, everything that all the other traditional departments of the Government have to cope with from day to day must be related to the foreign policy of the United States. We face an adversary that is utilizing all these elements.

Now, with your statement of the problem, do you have any comments on your staffing needs, on the problems of policy planning and other areas where you need help and support, given this new and very much enlarged responsibility which has fallen on your shoulders and those of your predecessors?

Secretary RUSK. We do have need, of course, for increased staff primarily, in the first instance, because of the increase in the amount of our business. We have had 40 new independent countries since World War II, 17 of them in the last year, and there are another dozen on the way in the very near future. This imposes upon us a heavy problem of responsibility and staffing in a department like State. It ramifies not only from the policy officers of the Department but right into the administrative section as well. Although we try to restrict ourselves to essential cable business, our traffic now is running on the order of 2,000 telegrams a day. We are running a very large volume of cable traffic.

We need additional staff just to bring our code room up to date on the hourly basis that we need if we are to handle some of these problems effectively.

But we are going, Mr. Chairman, to have to find additional ways to broaden the experience of our professional officers so that when they reach positions of important policy responsibility they will have this comprehensive experience behind them, will be at home with economic matters, at home with political matters, and will understand the breadth of their responsibility by direct participation in it.

Some of our in-service training and some of our assignments to other agencies are looked upon as a way to develop that kind of person.

Senator JACKSON. You need more generalists, do you not?

Secretary RUSK. We need more generalists, sir, if you mean more generalists who are deeply familiar with a lot of special fields.

Senator JACKSON. This is what I am getting at.

Secretary RUSK. It takes an understanding in depth rather than just generalities at the top.

I think also, sir, we are making some headway in getting policy officers into a planning frame of mind. We are trying to get the word across that every officer of the Department from the junior officer all the way to the top is responsible for his own initiative, for considering the problems in front of him and coming up with new ideas. If he happens to have an idea which is not strictly in his field of responsibility, he is encouraged to pass it along to his neighbor who does have that responsibility. And with the Policy Planning Council and the planning officers in each Bureau, I think we are beginning to move the sights of the Department ahead of the business a bit in order to come on target with the present aspects of the problems of the future.

Senator JACKSON. I was very much interested in your statement of your relations with Mr. McNamara on State-Defense problems.

Do you have an opportunity to get together and discuss the mutual problems of State and Defense, because this is the heart of our problem of national security. Do you have the opportunity from time to time to really sit down and discuss these problems?

Secretary RUSK. Yes, Mr. Chairman, I must say that one of the most heartening things about the responsibility which I bear is the relationship with the Secretary of Defense. I have served almost as much time in the Pentagon as I have in the Department of State over the years and I have, myself, a strong interest in, and appeal for, the need for the close relationship and coordination between those two Departments, and it must start at the top.

Secretary McNamara and I do see each other with great frequency in my office or at the White House or at Cabinet meetings or in special meetings to consider specific questions which we might wish to talk over with the President, and in a variety of ways.

I have on occasion gone over to meet with him and the Joint Chiefs of Staff in his building.

This personal contact at the top is not only important in giving the two individuals concerned a better understanding of the problems which each of us might have but also sets the tone and atmosphere for contacts down the line.

Secretary McNamara and I agreed at the very beginning that we would not look upon our own offices as the channel of contact between our two Departments but we would encourage our colleagues at all levels to establish contact with their colleagues in each other's Departments so that there would be a continual exchange of ideas between the two Departments as a part of this great problem of coordinating foreign and defense policy in a national policy.

I think that the relationship between these two Departments is good. I think the spirit of that relationship is good, and we are pulling in the same direction.

Senator JACKSON. Do you feel that we are making progress with this attitude and philosophy in the depth of the Departments as well so that the people down below understand there should be greater exchange?

Secretary RUSK. I do, sir, and I am convinced that this is of great importance. I can look back to the time when I was a relatively junior officer on the general staff and remember how important it was to keep in touch with relatively junior officers in the Department of State.

To squeeze these relationships into a single, narrow, stilted channel, I think would be a great mistake. It is important for people who are handling vital matters to know their colleagues in the other Department.

You see, today, sir, because of the pace of business, relatively junior officers in the Department of State are sending out telegrams on matters which before World War II might well have gone to the Secretary himself. Our business could not be handled in any other way. We have to give broad policy guidance, but we also have to let our junior colleagues act because not to act itself is a decision. A deputy director of an office is, as I indicated earlier, sending out telegrams. If he has a responsibility, which we accept in the Department of State, for insuring that the interests of the other departments are fully taken into account, then he must be in direct touch with his colleagues in the other departments. That means that there is a range of contact which I think is inevitable and essential.

Senator JACKSON. Mr. Secretary, you have placed great emphasis on the need for good people in the Department.

I wonder if you could comment on the problem of trying to attract people to serve in the Department? Questions have been raised before, especially in the Department of Defense, on conflict-of-interest difficulties and other obstacles which prohibit competent people from coming into the Government. It seems to me that when we are in a hot war, when everyone understands that our survival is at stake, we bring the best possible people we can to Washington and no question is raised about it.

In the long run, in our cold war struggle, the problem of attracting people is a most difficult one. It has been a problem of all administrations.

I wonder if you might address yourself to the problem?

Secretary RUSK. We are faced, in the first place, Mr. Chairman, with a national shortage of talent for the top. The old saying that there is plenty of room at the top has never been more true than it is today. Anyone who has spent several years in a private foundation is impressed with the fact that in the course of a year almost every segment in our national life and every profession will come by and talk over how to recruit more of its share of top talent for its own particular enterprise or profession.

We are short of talent for the top of almost every aspect of our national life.

So that, when Government moves out to recruit top talent, the competition is very keen.

We know, for example, that for many of our posts, if we can find the man we want, there are 20 or 30 other jobs waiting for him.

This competition is becoming keener on the economic and financial side. Fortunately, university salaries have been moving up steadily and nicely in recent years and professors can now begin to afford to be a professor. He cannot be tempted away too readily on straight salary considerations alone.

Similarly, business is looking for talent.

The conflict-of-interest problem is a complex one. I do not today have a specific suggestion to make, but I do think that this question needs urgent study because of the need to protect the integrity of the public service and the integrity in the use of public funds. We must, at the same time, recognize the great sacrifices that we demand of people when we ask them to cut themselves off completely from their normal occupations or own professions.

I do not know what the answer is, but I think we ought to approach the problem as being comparable in urgency to that which would exist if we were at war. Indeed, we are in a critical period in the historical development of the conflict between the Sino-Soviet bloc and the free world. We need our top talent in our Government effort.

One of the limitations on our ability to operate effectively overseas, Mr. Chairman, is this same shortage of people. You must have, on the one side, the professional competence to get the job done and, on the other, the willingness to put in several years of oversea service in far-off, difficult, and sometimes dangerous places.

So we are under the constant necessity to look for top talent. This is tough. It is difficult. We will never, I think, lick it entirely.

It is inspiring to see the numbers of people who are willing to come into public service at considerable personal sacrifice, but we are not getting them in the numbers we need for the important tasks that we have all over the world.

Senator JACKSON. What about the salary structure? Some of our witnesses have pointed out that some improvement in this area could make a real difference.

Secretary RUSK. I think perhaps the salary structure in the level just below the top—

Senator JACKSON. The subcabinet level?

Secretary RUSK. That is correct; where you are competing for the ablest young business executive or the fine scientific talent or the young engineer whose opportunities outside of Government are quite remunerative. It is at this level, the supergrade level, where the problem of competition is very keen.

Senator JACKSON. Mr. Jones gave some excellent testimony last year. As I recall, Mr. Jones pointed out that with the expenditure of about \$20 million we could make great progress in the higher echelons of the Service. Is that correct, Mr. Jones?

Mr. JONES. That is correct, Mr. Chairman.

Secretary RUSK. Mr. Chairman, I do not want to delay the committee but I would emphasize that investment in qualified people is, I am sure, a saving of money. Again, to go back to an earlier experience, a private organization which is involved in, say, foreign assistance, can decide that unless it can find the properly qualified person to do the job it will not undertake the job.

Government, however, finds itself making commitments on a governmental basis to get certain jobs done; therefore, they must do it regardless of their ability to find people. So the pressures to find the top people are very great.

Sometimes you have to make do with less than the best. I am quite sure that, over a time, trying to make do with less than the best talent is a wasteful and costly enterprise.

Senator JACKSON. How about the conflict-of-interest problem? Have you lost some good people that might have otherwise come except for these archaic statutes—some of them passed a hundred years ago?

Secretary RUSK. The two principal answers we get on the part of those who tell us they just cannot take on a particular post have to do, first, with this problem: they just cannot afford the financial sacrifices that are involved at a time when they have young people getting ready for college and other commitments which make it difficult for them to make the change; second, an unwillingness of the family unit to undertake service abroad as compared with life in the United States.

These are the two principal problems we have.

Senator JACKSON. Senator Bush, do you have some questions?

Senator BUSH. I was going to ask a question right at that point, Mr. Chairman, respecting the Foreign Service applicants.

Do you have a great many applicants and do you have a large number to select from and do you reject many applicants? I would like to know what is the trend in this connection with the Foreign Service.

Secretary RUSK. Fortunately, we do have a chance to be very selective about our young people for the Foreign Service.

I will get from Mr. Jones in just a moment the most recent figures on this year's experience.

This year, for example, we had 8,000 applications. A thousand of them passed the examination. We expect to appoint about 300. So we are selecting 300 out of 8,000.

Senator BUSH. That really is remarkable. I am glad to hear that.

Secretary RUSK. We are pleased at the extent of interest in the Foreign Service because we think it is one of the most exciting and challenging professions in the world.

Senator JACKSON. Does this represent an increase in the Foreign Service? Do you know the previous figures on that?

Mr. JONES. Mr. Chairman, this is a little bit hard to put your finger on precisely. Beginning back in 1956, we started a program of consultation with the universities and contacts with students through the faculties most intimately engaged in our kind of business. The number of contacts now ranges upward from 250 to 300 universities and colleges each year. We contact somewhere in the neighborhood of 15,000 to 16,000 individual students of whom, as the Secretary just indicated, we had about 8,000 applying this last year. About a thousand of those passed the written examination.

We are still engaged in giving the oral examinations.

There is a new kind of interest being shown, in that the young men and women with whom I have talked personally, and I have seen a good many of them in the last 6 or 7 months, are now expressing a realization that America is overseas to stay. They do not feel that there is a degree of impermanence about coming to us.

There is also another factor of great concern to us and I think of great promise, and that is that all of the agencies with substantial oversea personnel are now working together to try to get a common examining technique to apply to people who may not want to come into the Foreign Service Corps as professional officers for a full career but who do want a certain period of oversea service in order to train them to do better jobs back here at home.

We are working with Defense and Civil Service Commission and Department of Commerce and others.

We are also rebuilding our commercial service. We are getting better quality of applicants for labor attachés, for cultural people, and other such positions, so that the interest is growing.

I would anticipate this year that we are going to have probably several more thousand students come to us with indications of interest than we have had in the past 5 or 6 years.

Senator JACKSON. Senator Mundt?

Senator MUNDT. I will yield to Senator Bush.

Senator BUSH. I was just going to ask one more question, Mr. Chairman.

I recall when General Marshall was Secretary of State and Mr. Lovett was Under Secretary of State, they used to have a regular weekly meeting with the President of the United States. As I recall it in those days it was 11:30 on Wednesday, but they did not confirm it, it was just a regular, fixed meeting. I remember from talking with them, especially Mr. Lovett, how valuable they thought that was.

Do you have such an arrangement with the President now?

Secretary RUSK. I see the President several times a week, Senator, including frequent sessions where there is general conversation about a considerable variety of matters and not just on a particular subject.

I sometimes have breakfast with him for this purpose and we go over a range of matters. Further than that, during the course of the day, I am on the phone with him quite frequently on matters on which we are working together. So there is no lack of contact between the President and the Secretary of State.

Senator BUSH. I observed that world events require a great deal of contact.

Secretary RUSK. I might say many of my appointments over there are not on the public schedule.

Senator BUSH. I have no doubt about that. I wondered whether as a fixed and regular thing you have that type of engagement with the President of the United States. You do not seem to have that.

Secretary RUSK. We do not have a fixed schedule. We see each other very frequently.

Senator BUSH. Do you feel that the organization setup where the Secretary of State is directly in contact with the President and so forth is exactly the right way? We had some discussions in Senator Jackson's committee along the lines of sort of reorganizing the setup of this Government. We talked about executive vice presidents, one of whom would be a sort of supersecretary of state. I think some of the witnesses took rather scornful attitudes toward that and none seemed to proclaim it as very desirable.

Do you find from your long experience and your recent experience that this organization is satisfactory or is, at least, as good as we should have to meet these tremendously increased responsibilities in the world?

Secretary RUSK. I think the conclusions of the subcommittee in one of its recent reports on this subject were correct. I may say that my present comment is based not just on my experience as Secretary of State but it follows a view which I had before I took this office.

I think it is important that the principal adviser to the President on foreign policy be someone who is operationally in contact with the total stream of our foreign relations so that whatever advice is given is in the context of the whole. This will assure that there will not be missing factors left out of consideration, that the matter can be presented to the President in its total context and in terms of the alternatives available, so he can see and fully understand the nature and significance of the decision which he is being asked to make.

I also think it is important that a Secretary of State not serve as a screen to shield from the President the divergent views which may be taken between departments or within a department. The President must know what the alternatives are and what the best judgments would say.

If these best judgments say different things, the President ought to know that, so that he is not presented simply with a monolithic point of view. I do think our organization in this respect is the correct one.

Senator BUSH. I think that is very gratifying. It seems to me that the very closest relationship between the Secretary of State and the President is sine qua non to a successful foreign policy.

Thank you.

Senator JACKSON. Senator Mundt?

Senator MUNDT. Mr. Secretary, you and I have already spent some time together earlier this week across the table discussing matters of policy in the Appropriations Committee. It is a pleasure to again be associated with you in a discussion of this kind.

I recall many times as he appeared before our Appropriations Committee, one of your illustrious predecessors, Mr. Dulles, used to complain about the fact he did not have enough time to do what he considered the most important part of his job in the State Department. He said there were so many problems around the world and they are so complex that a Secretary of State should have much more time to think these things through. We have so many administrative functions and so many administrative problems, ceremonial functions, that there just is not enough time in the day for them.

Have you had any experience which leads you to believe that we should continue to try to improve the whole function of the State Department in the direction of providing the top hand with more opportunity to really sit down and coordinate the problems or are you not encumbered too much with business, administrative, ceremonial functions?

Secretary RUSK. This is a constant problem for a Secretary of State. Since I had the pleasure once of serving in the Department when Mr. John Foster Dulles and Mr. Dean Acheson were working very closely together on the Japanese Peace Conference, perhaps I might lay alongside of Mr. Dulles' comment, which I have heard him make privately as well, Mr. Acheson's remark that it is important to think about these things in the context of action and operational problems, that thinking in isolation or away from the flow of business is not the way to think effectively about foreign policy. I think both of these points have to be taken into account.

Now the time of the Secretary of State is, I think, at times diverted into activities which are not central to his task. As a matter of fact,

in an article which I wrote when I had no thought that this would be my problem, I commented that there might be a new Parkinson's law, that the concern with the central task varies inversely with elevation in the bureaucracy. This is a problem for a Secretary of State. You gentlemen run into it. The chairman suggested some of the things you must do and want to do as a part of your own participation in public life. Some of these are diversions from your central tasks. I have the same problem. But we do have, I think, more and more interest in the Department in the necessity for reflecting; and particularly in reflecting ahead. I am quite sure that we can think more effectively about the future than we suppose.

I think that the universities sense a growing responsibility for this effort, traditionally, because of the way in which our educational system grew up. We have universities, in science and medicine, hurling us into the future by what is going on in their laboratories. We have, on the other hand, the humanities and the social sciences, which tend to think that the future is not their business.

There are many problems lying in the future to which thought can be given systematically with considerable effect. The effort to do so is good preparation for confronting the problems when they arise.

So, a Secretary does live with his problems throughout his waking time. The need for more reflective time is always there, Senator.

Senator MUNDT. Would it not be possible to reduce a great deal the ceremonial functions which have grown up out of the history of protocol at a time when foreign visitors were a rarity in this country; but you continue pretty much the standardized formula for meeting distinguished guests out at the airport that you used when you met distinguished guests at the railroad station and you met them once every month or so. Now you have five or six every month.

It seems to me by one fell swoop you could let it be understood that the Secretary of State has more important business than going out to the airport to shake hands with a visitor. If you had ceremonial officers to do that job, you could stay in the office to conduct business. It is a waste of manpower scampering around town meeting visitors.

Secretary RUSK. Your word "scampering" is very realistic sometimes, Senator, in the sense of getting to some of these appointments on time.

We did comment on that a little earlier this morning, but I do think this is a matter which can be improved by international consultation. I do not think that we can do it unilaterally without paying a considerable price, in terms of the resentment and reactions of other governments, because these are matters of traditional practice.

We are simplifying our procedures in a number of respects. We hope to make some headway with it. Visits do represent a large investment of time, but the time spent with distinguished foreign visitors frequently turns out to be extremely productive and useful to our policy.

Senator MUNDT. I am sure that is true. I am not talking of official conferences. I am talking about the purely polite and protocol procedures which became established in an era when there was time in the leisurely world to do that. It seems to me that by multilateral conferences or by precept or example or by some kind of announcement that the slight embarrassment that other countries would have would

soon wear off in the continuing expectancy and anticipation which brings them to this country in the first place.

Secretary RUSK. We are making moves in that direction but by gentle stages, Senator.

Senator MUNDT. One thing that has disturbed me a great deal, and I know there is not an easy answer to it, but it has always kind of shaken me up a little bit ever since I have been in Washington, is the fact that while we are undoubtedly, and I hope will always remain, the greatest example of self-government and democracy that the eyes of men have ever seen, and while we have developed and employed very successful democratic procedures in all our domestic affairs, necessarily in our diplomatic affairs and foreign policy they are run pretty much the same as they would be run if we were some kind of statism. Necessarily, decisions are pretty largely made before they ever get to the legislative level or you have taken steps in that direction.

I see no answer to that. It seems to me that is a kind of situation where you cannot employ the fullest democratic procedure when it comes to foreign policy. So we impose this on the Executive to some degree and he imposes it on the Secretary of State.

Now, I give that background as the reasons for this question. When you say increasingly you are shifting the decisionmaking to deputy directors and the lower echelon officers, this aggravates the problem, as I see it, and an undesirable condition I think is the result of it. It is part of procedure of international life. But, because that is essentially true and as long as nobody comes up with a system of developing democratic practices that go deeper into international policies, decisions, and affairs, I am not too happy to have it downgraded to deputy directors who now send out cables on their own.

I suppose you assume responsibility for it as Secretary of State, but you have not time to consider them. I am not sure that is a good reform. I am not sure that is moving in the right direction because I think it violates something which you very wisely said a moment ago; that is, that increasingly you try to get the decisions in a perspective where you can look at the whole global picture. You recognize you cannot make a decision, a wise one, on some Communist thrust in Asia without thinking about Berlin, without thinking about the Mohammedan world and every place else.

Now, the deputy director is not an all-around expert.

I would like to see these decisions elevated up where they are discussed and decided in terms of the global need rather than downgraded.

Will you comment on that?

Secretary RUSK. I appreciate that question because it gives me a chance to clarify my earlier remark. I did not mean that the deputy director, when he sends a telegram, is making important decisions of foreign policy, but rather that he is taking specific actions within the framework and in the light of policies already approved and under the policy guidance which he has had. Within this framework there are a considerable number of administrative matters which, before World War II, would have come to the Secretary but which

we do not get into now. I speak of such things as the movement of an ambassador to and from his post or problems of that character.

I do believe that foreign policy in a democracy is basically a part of the democratic process. The great objectives of our foreign policy are, I think, broadly known and well understood by our own people. If a new foreign ambassador in Washington were to ask me, "What should I keep my eye on to learn how American policy would react to a given situation," I would point out to him the 18th century phrase which has always served as to American policy; that is, the notion that governments derive their just powers from the consent of the governed.

You will find that over a period of time this simple notion, which we really believe in in this country, tends to infuse and conform our policy and our reactions to the situations in many places. Some of the great statutes of the Congress, some of the great charters, such as the United Nations Charter, contain in them articulate expressions of the broad policies of the American people. Matters which are not handled on a strictly democratic process, if you like, in terms of voting them out—our daily operations—still give effect to these broad national policies.

Of course, in the months during which exchanges take place between the Executive and the Congress, hearings of all types in the course of a year, there are hammered out, in consultation, many features of our national policy which either appear in legislation or in executive action, depending on the particular appropriate method.

There are some special problems in a democracy in the handling of our foreign policy, in the very amount of debate, with the rest of the world listening in. We say things here quite properly among ourselves which are upsetting to people in other parts of the world. There are times when it appears we cannot move as rapidly as we would like to move in the conduct of our foreign policy because we need public understanding or we need legislation or we need other processes before we can take the action necessary.

Senator MUNDT. In the discussion earlier this week, it occurred more rapidly?

Secretary RUSK. Yes, sir. There will be further discussion later in the week on that same point. But I think there is great strength in this democratic process, however, in the actual conduct of our foreign relations because, broadly speaking, the commitments of the American people are literally the commitments of most people in most parts of the world—the underlying basic commitments. I think this is understood in many parts of the world. That gives us a strength despite some of the procedural problems of democracy, which I would not trade for another kind of system.

Senator MUNDT. I am glad you amplified what you said about this cable because I misinterpreted it as a decision at the Deputy Director level.

I think this feeling I mentioned is shared by a great many Members of Congress which reflects itself sometimes by resolutions, bills, whereby, awkwardly, and sometimes wisely and sometimes maybe not wisely, Congress attempts to take over some of your job and make decisions of policy.

Let me ask you a purely hypothetical question in this direction.

The Senate recently passed a resolution opposing the recognition of Red China. That is American policy. You oppose it, too. There is no conflict there. That is all right. But let us take a hypothetical situation. Let us assume that if it had not been Red China it had been someplace else, the vote had been the same, and it was a policy which at the State Department level they thought it was unwise. Now, what would happen in a case like that?

Secretary RUSK. Since we are talking about a purely hypothetical case, and the matter of the recognition of a government might come up, we would hope to be consulted before such resolutions were passed, particularly if they were to be unanimous. We would hope to have a chance to participate in the discussion and to explain to the committees what our views are. We would hope there would be an opportunity to consult with the President in order that the President's views might be known to the Congress, so the Congress could take that into account when they decide whether or not they wish to express an opinion on the matter.

Senator MUNDT. This is also true. Congress is motivated and stimulated and concerned primarily by reactions of its citizens, local pressures, local conditions. The State Department is largely tossed and torn by international repercussions. Sometimes you are listening to different voices.

Secretary RUSK. I think so. With complete respect, I might say also that it is sometimes easier to express what we would like to see happen than it is to achieve it internationally in a situation over which we ourselves have no control.

Senator MUNDT. That is, of course, correct.

Kindly relate the question now to whether the procedures of democracy in foreign problems really are compatible with the procedures of democracy on a domestic policy.

Secretary RUSK. Senator, I do believe that over the years it will be shown that the close consultation which has taken place between the legislative and the executive branches has produced a harmony of policy which is really quite extraordinary, if you look back through the record on this matter.

I must say that I have not had the feeling in appearing before congressional committees in executive session, where we can look at all the factors that are involved and the serious questions which have to be answered, that partisan consideration played a role. When the leadership on both sides sit down to talk over these things, almost always there is a very large community of approach and interest in national policy.

Senator MUNDT. When I was talking about my feeling that the procedures of democracy do not reach out into the area of foreign policy as much as I would like to see them do, I am not thinking at all in terms of partisanship considerations.

Usually, not always but usually, in American public life the administration and the Congress are within the same party but there is a difference in function.

To be specific, Mr. Secretary, I think largely in the area of executive agreements and conferences and treaties—without going into the merits or demerits, for example, of the decisions made at Yalta, the

decisions made at Potsdam—they were not decisions in which the Congress in any way, sense, or shape participated but we were caught in the bloodstream of history and certainly those decisions have had something to do with the direction in which the stream of history is flowing today.

I do not know of any way, Mr. Secretary—if I did I would suggest it—that somehow or other in wisdom or impetuosity, congressional procedures might be brought to bear before final binding decisions are made.

Is there any way or is it better as it is, without reference now to any particular treaty or conference?

Secretary RUSK. On decisions which do not affect the legislative authority, which do not require the legislative action of the Congress, I do think that when these are on important matters, there should be consultation between the leadership of the Congress and the executive branch. It is obvious that where the action of Congress is required there must be full collaboration between the two branches, but I think there should also be consultation on important matters which lie outside the framework of direct congressional action.

Senator MUNDT. Is there a way that Congress can be brought into the picture prior to the time when the only way you can have any impact on these tremendously important historic decisions, such as the one at Potsdam and Yalta and a great many of them in American life, is the very awkward mechanism of putting some kind of Connally-type reservation on the treaty, something of that kind, which is awkward from your standpoint, it is awkward from our standpoint, it is pretty inflexible? It seems to me that is where we approach the same kind of procedures that they use in dictatorial countries because Congress gets into the act pretty late and we get into it with a pretty blunt sword and our machinery groans with antiquity. These decisions necessarily are going to have to be made and made more rapidly than in the past.

Secretary RUSK. I think, sir, that the primary channel for that type of joint understanding of the problem, and the discussion of what we should do about it, lies in consultation with the appropriate committees of the Congress. Also, on occasion, there should be direct association with delegations of Members of the Congress.

This has happened quite frequently, as the Senator recalls.

We normally have Members of the Congress, for example, present with our delegation at the United Nations each year. If there is a foreign ministers' meeting that is coming up where major decisions are expected to be made, which was not the case in my last trip, which was chiefly a planning and procedural trip, there will be prior consultation with the committees of Congress. But how the Congress could participate more directly and organically in the conduct of our foreign relations, I think is a very complex question.

I do not see an easy answer for that at the present time.

Senator MUNDT. I think we had a rather happy formula at the United Nations. I think we can look at our American participation in the United Nations with considerable pride from the standpoint of the fact that no bad decisions have been made by us, that is, supremely bad, in the U.N. There have been some bad decisions made by the U.N. but not by us. It has gone along relatively well from

the standpoint of anybody criticizing what we have done at the U.N. where we might direct world history.

The reason I stress this is that we are entering into negotiations or discussions or conferences now with implications so great that one serious bad decision could destroy civilization. We could weather through an earlier bad decision or earlier treaty but we cannot afford a bad one now and nobody wants to make a bad one.

I am wondering whether or not those decisions which are going to determine whether civilization is going to continue are going to be made in such a manner that Congress has nothing whatsoever to do in determining the future of the world.

I have no suggestion to you but I simply stress the idea because I think history will clearly show in those forums and in those arenas of activity where we have done as we have, in the NATO Conference, and at the U.N., in which the legislative branch of the Congress has participated, the results look a lot better historically than they did at Yalta and Potsdam, because you are heading up a meeting much more important than the ones at Potsdam and Yalta.

I want to offer the suggestion that perhaps some place along the line there might be a way in which Congress participates in a decision which we hope will be good.

Secretary RUSK. Thank you, Senator, I know that you and I would not wish to take this subcommittee's attention into a debate on these particular conferences, but I would observe that those conferences would look better to us if the other side had lived up to its agreement.

Senator MUNDT. In some areas, but in some areas even where they have lived up to them they have looked pretty bad.

That is all.

Senator JACKSON. Senator Muskie?

Senator MUSKIE. Mr. Secretary, the Constitution, of course, places the responsibility for conduct of foreign affairs very clearly on the executive branch and on the President. This was in a day when it was possible for the President and the Secretary of State to give much more personal attention to these problems than today.

Mr. Price last week expressed, I thought very well, the difference between the conduct of foreign policy 180 years ago and today when he spoke of the President 180 years ago as being a human being, today being an institution.

You have very graphically in your testimony this morning outlined the complexities in solving the foreign policy function of today.

The foreign policy function includes, it seems to me, these elements. First of all, the ability and facility to see and observe what is going on in an ever enlarging world scene and to do so with perceptiveness and sensitivity.

Secondly, the ability to understand what is going on.

Thirdly, the ability to generate policy.

Next, the ability to select a policy.

Finally, ability to implement the policy selected.

You have indicated that there is a problem with respect to each of these elements of foreign policy function which tends to fragmentize, in terms of the number of people involved, the attention which is given to each.

That being so, it seems to me we ought to be concerned with a number of attendant problems. First of all, using Mr. Price's figure of speech again, would it be advisable from your point of view, to the extent that it is possible to centralize all of these functions institutionally in the way they were 180 years ago, in human beings?

Secretary RUSK. We have been trying, Senator, to clarify lines of responsibility so that individuals are responsible for particular aspects of the execution of policy and for the initiative in recommending policy in given areas, whether geographic or in certain functional fields such as economics on a functional basis. I do not know any better way than to try to find individuals who can be responsible, be capable of carrying the responsibility and be held accountable for the responsibility.

It is sometimes supposed that the chief characteristic of a bureaucracy is a struggle for power inside the bureaucracy. I do not think this is right. I think that there is just as strong a tendency, if a bureaucracy is left alone, to avoid responsibility.

Now, it is important for us not to have responsibility lost in faceless organization but to try to identify at every stage who is responsible for that particular segment of operations of policy.

I think one of the byproducts of eliminating certain of the interdepartmental committees and concentrating responsibility in one or another department is that it makes it possible for a person to be responsible for leadership in policy and execution of policy in a particular field.

In our case, for example, in the Department of State, an enormous responsibility falls upon an Assistant Secretary of State in one of our geographic bureaus, or our counselor in charge of policy planning or any of the other presidential appointees in the Department of State. They carry a degree of responsibility which makes it possible to look to them about situations that might arise in any part of the world and expect them to anticipate those situations and be prepared for them, frequently hopefully to prevent them from growing into crises.

I think we are moving in the direction which is implied by your question, Senator.

I think we are steadily improving in this respect.

Senator MUSKIE. To test the effectiveness of what you are trying to do, it seems to me suggests several questions.

First of all, the power of final authority or final decision in an increasing number of important areas is dropping far below the Secretary of State. That is inevitable. Even so, is it not desirable that institutionalwise, or otherwise, that the critical problems rise to a foreign policymaking level in a way that will insure sufficient advance warning?

Is there an institutionalized way in which this does happen and, if there is not, is there an institutionalized way we can devise that can insure this happening?

Secretary RUSK. We have staff meetings of our colleagues where we have information presented on the immediate past, and important alert signs of what may be happening in the future. There, with all elements of the Department represented by people who are carrying a heavy responsibility, we have a chance to talk these out. If there is a European aspect and an African aspect or a Near Eastern aspect to

a problem, all are merged together. We can, under such circumstances, talk about problems in terms of wise national policy.

In turn, each of these men who meet with me in a morning staff meeting will have his own staff meeting of his own key associates, in order that he can transmit to them policy directions which I might transmit on behalf of the President. In turn he will get back from them ideas, suggestions, initiatives which might bear on the question under discussion.

This is in daily occurrence in the Department.

Senator MUSKIE. That is very reassuring.

There is another problem of governmental activities and problems operating outside the State Department which have an impact upon foreign policy and which can complicate as well as simplify your work. As to those, do you think there ought to be central direction, that there should be central direction that comes from the Secretary of State or should it be central direction of a cooperating nature? Should that cooperative effort be institutionalized?

Secretary RUSK. The central direction of important policy, of course, comes primarily from the President. In reaching important policy decisions, however, the practice is to assign to a particular agency or department in this field which we are discussing, more frequently the Department of State than any other, the responsibility for carrying out that policy. That assignment carries with it, however, the responsibility for keeping in touch with the other departments and agencies which have an important stake in the issue at hand. So that, if the Department of State becomes the operating agency, it also is the coordinating agency.

We maintain liaison with the White House in a number of ways, certainly in my own direct discussions with the President, of course. But there is a considerable additional liaison through the machinery of the staff of the National Security Council, in terms of reports which go there and are available as progress reports on the particular policy under discussion.

Then there is a good deal of informal consultation. For example, we take advantage of the fact that people normally have to have lunch anyhow, so we have a luncheon on Tuesday where key officers of the Department, including those who are most intimately involved with operations—with the daily flow of business—have lunch together not necessarily with a formal agenda of things to be worked at or decided. Those present have a chance to talk over how these various things are going and to keep in touch with each other.

There are several other ways in which this type of coordination occurs, but at the same time there is always a specifically assigned responsibility and followup.

Senator MUSKIE. To what extent do you think the State Department policy affects the strategic weapons systems?

Secretary RUSK. Senator, in a broad sense our posture in the strategic field is of considerable importance to us as a matter of foreign policy. I would prefer not to go into that in any detail, perhaps, until we get into executive session.

Senator MUSKIE. I would like to ask this one final question. In the days when the conduct of foreign affairs was much more personal, one man could encompass perhaps in each of his working days the

totality of the problems that confronted the country. Now we are talking about problems that one man, however wise, however capable, could not encompass within the time available to him for contemplation in a single day. So that thinking time today means not just the thought you apply to these problems but the thought that a great many people apply. One man could do it in the privacy of his own skull. There was no compulsion for him to reveal what was going on in the mental process to the public or anyone else. He was free to contemplate an infinite variety of alternatives he might not wish to expose in public.

Now, since the thinking process is outside his own skull and encompasses many people, what part does the privacy of thought play or should it play in the formulating of national policy, just thinking of alternatives without conclusions or commitments to be made? An idea exposed prematurely loses a great deal of its effectiveness and eventual force.

Secretary RUSK. We try to urge our colleagues not to be timid about coming forward with ideas or suggestions, or in challenging basic assumptions or questioning a conventional interpretation of a factual situation, so we can avoid the failure of not thinking about the problem in the deepest and broadest terms.

It is not always possible for departments to put down on a specific piece of paper the full range of a detailed problem, because, unhappily, there is the problem of leaks. This is not always because policy is secret, but because on certain technical matters there are technical secrets. In the case of proposed negotiating positions, things of that sort, leaks can be very damaging to your success in the later negotiations.

But I do think that opportunity for quiet thought is important.

I do also think, however, Senator, that at some stage the most complicated question has to come into individual minds. That is, it cannot come up for decision fragmented among different people. The President and the Secretary of State and the Secretary of Defense, as individuals, have got somehow to put their minds around such problems as individuals of the old-fashioned sort, and come to terms with the problem.

Much of the planning process is not so much to produce a piece of paper upon which you can surely rely in the future but to prepare the minds of those who must make the decisions for the time when the decisions will have to be made.

There is a certain problem about getting too much down on a piece of paper and calling it a plan. There is a temptation to put it in the drawer and say, "Now we have a policy so we can think about something else." Often when the events occur, they do not fit that piece of paper and that piece of paper itself carries with it a certain inertia. One has to respond quickly to adjust the piece of paper to the facts, instead of attempting to do it the other way around.

But the entire process of planning and consultation is a part of the thoughtful preparation of those who must make decisions at the decisionmaking time.

Senator MUSKIE. Since the thinking process in an integrated policy field like foreign policy involves many people, it seems to me there is some reason for concern that there are certain ideas, certain things,

we do not dare to think about any more. I am not talking about individuals at the moment. I am talking about the thinking that must be done by the number of people involved in policymaking in an integrated area, where they reach the point where they do not dare to think about some ideas any more. Do you think this is a healthy situation?

Secretary RUSK. This is not a healthy situation. That is, those who are in charge of the future and the safety of this country ought to be able and prepared to think about problems in every way. If the Senator's suggestion is that one of the problems is, shall I say, timidity or political intimidation as it might be applied to this thinking process, then this is one of the greatest dangers to our country that I can imagine. It is of vital importance that those carrying public responsibility be free to think about all aspects of the problem, and not try to live alone by shoving certain situations out of the way as being delicate or dangerous.

Senator MUSKIE. Thinking in these terms means discussion among people who have high responsibility.

Secretary RUSK. That is correct.

Senator MUSKIE. They should feel free to discuss, without penalty and without inhibition, ideas and proposals and suggestions that may not be politically acceptable at any given point.

Thank you.

Senator JACKSON. Senator Javits?

Senator JAVITS. Mr. Secretary, it is a great pleasure to have you here as a fellow New Yorker and occupying so distinguished a position in our Government.

I gather from your testimony and from the testimony of Secretary McNamara which I had to read this week—at the particular time of his appearance before this subcommittee I was occupied with another committee—that no question today which involves the use of military force can be considered strictly military. Do you confirm that?

Secretary RUSK. That is correct, sir.

Senator JAVITS. Now, one of the fundamental tenets of our Government is civilian control. Under present circumstances, would you say that the civilian control not only requires control by the Secretary of Defense of the utilization of force or preparation for use but also that of the Secretary of State?

Secretary RUSK. I think, sir, control in that sense belongs to the President as advised by the Secretaries of State and Defense on foreign policy matters and our national defense policy.

Senator JAVITS. Now, would you say, Mr. Secretary, that from your experience in the Department you are satisfied with the sense of your authority in respect of these politico-military decisions?

Secretary RUSK. Again, sir, the authority in this field is the authority of the President. I serve the President as the Secretary of State. I am entirely satisfied with the influence and impact of foreign policy considerations upon our joint national security policy.

Senator JAVITS. Could we say, because after all in the Senate we live in a fishbowl, that you are satisfied that the decisions for the employment of military force by the United States will now be taken on the basis of the full participation—I am using my words very carefully—the full participation by the Secretary of State as well as by the Secretary of Defense in the process of decision which ultimately rests with the President?

Secretary RUSK. I have no doubt.

Senator JAVITS. Now, this is certainly a hallmark of a new situation that we face in Government, is it not, Mr. Secretary: the fact that every military decision practically must have a political base?

Secretary RUSK. That is correct, sir.

Senator JAVITS. You are satisfied that our governmental machinery has now been adapted to adequately carry out that fact of life?

Secretary RUSK. The central purpose of our machinery and of those who serve the President is to do everything we can to insure that these decisions which the President may be called upon to make are made with a full understanding of the entire background, the alternatives, the ramifications of the decisions on the life of the Nation and our situation in the world.

Senator JAVITS. And there is no feeling now, there is no reflection on the policy machinery that as far as the State Department is concerned you fellows stick to diplomacy, this is not your business, this is for soldiers?

Secretary RUSK. We have had a very intimate relationship between the two Departments. As a matter of fact, Senator, if I may go back to the time when I was on the general staff in the other building, I think that when there were times when this became an issue it was partly because the State Department was not giving the necessary policy directives. There was an absence of policy, and troops in the field had to know what to do.

I have no doubt myself that where the President, the Secretaries of State and Defense determine upon policy, the establishments of the Departments on both sides of the Potomac are prepared to back those policies and carry them out.

Senator JAVITS. You do not see any need for "political commissars" in our Government?

Secretary RUSK. No, sir.

Senator JAVITS. Now, there has been considerable discussion about the need for some superboard which will tie in all elements of our governmental apparatus in order to more effectively carry on "the cold war." I know those are shuddering words to a statesman but nonetheless we all understand what they mean.

Now, what do you think about that? Do we need some superboard to carry on the cold war?

Secretary RUSK. I am not sure that I can expand fully on this under the present circumstances, but let me say that the cold war is nothing less than the determination by the Sino-Soviet bloc to press their doctrine of the historic inevitability of world communism into action in all parts of the world and it has manifested itself in many forms.

We did not, ourselves, start or declare the cold war. This came about when it became clear, immediately after World War II, that the Soviet Union was not going to join the United Nations and help build the decent kind of world order we were all looking for. They have, in later years, been pressing in a great variety of ways—not just the military pressures of Mr. Stalin, but all sorts of techniques—of economic, cultural, and other forms of penetration and guerrillas and techniques of that sort.

The cold war, therefore, necessarily involves almost every aspect of our foreign policy—whether we are working with international

organizations to get certain parts of the world's daily work organized across national frontiers or whether we are in a sharp debate in the United Nations or whether we are in a direct confrontation in some troubled spot somewhere in the world.

In the broadest sense, I do not believe there is any one board which can take on the elements of the cold war in all of its ramifications, because this is deeply and intimately involved with many, many aspects of what the great departments of Government are working on.

There are certain special aspects of it which we might go into at another time.

Senator JAVITS. Would you say also that included in the concept of what we need to do with respect to the cold war is the productivity of the country?

Secretary RUSK. Yes, sir. Among the great elements of strength in this country is that of its economic productivity.

Senator JAVITS. And the fact that its productivity may be the most effectively geared to our national purpose?

Secretary RUSK. That is correct, sir.

Senator JAVITS. And, without stirring up a lot of controversy, would you say that such considerations intrude, in respect to social conditions in our country as they represent the reflection of what we are able to accomplish and what we are offering to the world?

Secretary RUSK. That is correct, sir; particularly in the case of a country which is in the spotlight of world attention as much as we are.

Senator JAVITS. Though it may not have been so designed, was it not the purpose of the National Security Council to have at least one place where the President had a sounding board in which all these threads were gathered together?

Secretary RUSK. That is one of the places where this could occur. It also occurs, of course, at Cabinet meetings and in meetings which might be called specially to deal with certain aspects of a problem.

Senator JAVITS. And all three techniques are employed by this administration?

Secretary RUSK. That is correct, sir.

Senator JAVITS. So far you have found no collision of operation in the fact that they are all concerned?

Secretary RUSK. No, sir; because in the three techniques to which I refer the principal department heads are all involved, and they can easily translate the conclusions that might be reached in any one of these into the direct operations of their department.

Senator JAVITS. Now, as the National Security Council does have a statutory base, and I might say, Mr. Secretary, this is one of the most interesting things we have developed—here is an organization with a statutory base which is uniquely a presidential tool, and the question is: If we wanted to do anything about it, should we? That is a very serious question. There has been some talk of expanding that statutory base to give the President the opportunity either on a continuous or ad hoc basis to call in distinguished minds other than those available to him in the service of Government direct. For example, the most manifest example that immediately springs to mind is former Presidents, of whom we now have three, a most historic and

most unusual circumstance which we pray will continue for many, many years.

What is your view on that? Do you think again in the way of perfecting our machinery for this very new situation we ought to broaden the base of the National Security Council in a statutory way, thus giving the President the opportunity, if he chooses to employ it, to enlist other minds than those who might for the time being be in the higher echelons of governmental service?

Secretary RUSK. I think the President should not be limited or feel himself limited in the matter of consulting anyone whom he wishes to consult on important matters of public policy, certainly individuals of the type you mentioned being among the most distinguished of those who might be consulted.

But I would suppose, Senator, that there already is available the kind of flexibility that might be needed for that. The President can, if he elects to do so, invite any one to sit with the National Security Council in its deliberations or to make other arrangements for getting the views of distinguished citizens on particular points or elements of policy. I myself would not wish to speak categorically today about whether any amendment to the legislation would be desirable. I just want to point out that that facility is available to him.

Senator JAVITS. And that he can use it not only on an ad hoc basis but a continuous basis? In other words, there is nothing you see that stops the President today from saying: "For the duration of the Berlin crisis, I am going to attach so and so to the Security Council so that he has every paper, every cable, every consideration just like the rest of us, because his brain is so critically important to us in this situation."

Secretary RUSK. There are no obstacles to that now.

Senator JAVITS. He could do that?

Secretary RUSK. Yes, sir.

Senator JAVITS. I am not going to ask you whether he does or does not because that would be beyond our ground rules, but he does have the discretion?

Secretary RUSK. Yes, sir.

Senator JAVITS. In respect of some kind of superentity to carry on the cold war, what about that in reference to the Atlantic Community? What we have now, of course, is the NATO Council in which we are represented and in which every other nation is represented at a very high level. Of course, we are now getting into a new organization, the Organization for Economic Cooperation and Development. The Europeans have their organization. The NATO Council's recommendations have not heretofore been considered, for example, too strongly in respect of cultural or economic matters, though I think that is a shame, but nonetheless that is a fact, as you and I know better than most. We also have the relationships of the NATO partners to the rest of the world with the tremendous influence upon the cause of peace inherent in their policy, whether it is toward the Far East, toward the Middle East, right now toward one of their own associates, Germany, toward Latin America, Africa, or some other place.

Have we done any thinking that way in the way of buttressing our policymaking machine?

Secretary Rusk. At the Oslo meeting of NATO, we discussed there among the foreign ministers a variety of ways and means for improving consultation among NATO governments through the NATO machinery. Some of this is organized formally through the committees of NATO. Some of it is organized in informal groupings within the NATO machinery. This consultation does now range very widely on matters of common interest to NATO and does at times discuss matters beyond the geographical range of NATO itself. It gets into economic problems, and into a wide range of matters that I think are expanding the role of NATO.

It is a little early yet to see how far this may develop but that it is developing, I think, there can be no doubt.

Senator JAVITS. For example, Mr. Secretary, I am intimately concerned with an economic warfare board for NATO because of the tremendous potential which exists in the Soviet Union and their allies to destroy the commerce of the world in one area or another.

Is the Secretary satisfied that without new machinery there is at least the likelihood that NATO is maturing to the point where it can deal with problems of that character as well as the rather—I use the word “primitive” in the sense I am sure the Secretary understands—primitive problems of straight military defense?

Secretary Rusk. I think I had better rest on the comment, Senator, that I think the NATO machinery is improving in several directions and that the possibilities of not only coordinating policy but coordinated action are increasing.

Senator JAVITS. Now the last question I have is this: You have given us now, I think, an excellent picture of the tie-in in terms of the military activity of the country and its diplomatic activity. Now what about its “education and information” activity—we never use the nasty word “propaganda” here—where, when you look at the chart looks so minuscule, like a pigmy with two giants when you put the USIA next to the State Department and the Department of Defense, and makes people like myself feel that Uncle Sam is a pretty strong fellow with large muscles, a big stick and a tiny voice. Now how do you tie in that which, let us say, is the third element with which we are waging this struggle?

Secretary Rusk. This has come up very recently for intensive discussion among representatives of the NATO governments. In fact, it was one of the subjects of my recent visit to Paris and to NATO. There is some problem about trying to adopt any monolithic approach to public information. This would not be desirable.

On the other hand, I think our type of society has a much better story to tell than has been told effectively. This is something which can be told by other voices and by many peoples.

I think the other side, the Sino-Soviet bloc, tends to get away with some rather monstrous distortions of the world and what they are after compared to what we are after.

I mention one, for example, to illustrate. The General Assembly of the United Nations has more than 60 independent members who were, at one time or another, part of the Western political system. Mr. Khrushchev stands up there and makes some headway in posing as the champion of national independence. Mr. Khrushchev never gave away anything and is standing there in front of more than 60

independent nations who got their independence and most of them under peaceful circumstances.

Some of this story needs telling more effectively than we have told it. I think an alertness on the part of the entire Atlantic Community to the ideological struggle that is going on in the world is an important factor there at the present time.

There are many governments there who can say things more effectively than we because we are sort of in the vanguard, the apex of some of the sharpest of the conflicts. Some of the others can carry more weight in other parts of the world where the people might be a little suspicious of our voice.

All these things are important in terms of Atlantic Community cooperation in this field.

Senator JAVITS. Are we to assume, then, because we come back to our fundamental purpose in national policy machinery, that here and now—or approximately here and now—the administration will be able to carry the burden of showing that it is doing what needs to be done, in respect of this third dimension which has had so really relatively little attention?

Secretary RUSK. Senator, this is a burden which the Congress must share with us.

Senator JAVITS. I understand.

Secretary RUSK. Because there is so much to be done and our resources thus far have been relatively limited compared to our other great activities.

Senator JAVITS. I might tell the Secretary within the limits of my power I am going to move to restore the few million dollars that were cut in the USIA appropriations as soon as we get at it again.

Secretary RUSK. Thank you, Senator.

Senator JAVITS. May I ask the Secretary, are you satisfied that the administration will at least do its part in bringing to us the proposals which will really be implemented?

Secretary RUSK. We will do our best because we look upon this as an important matter.

Senator JAVITS. Would you allow me to make a request?

I would make a request as follows: One of the things that we have failed to ask questions about, which I hope you will come up with something on, is the cultural machinery which I think is completely inadequate and as to which we are 'way behind the Soviet Union and a lot of other countries—disgracefully so.

Would you have your Department put something in the record as to how we can more effectively improve the machinery which makes culture a part of our foreign policy?

I would appreciate that very much because you know I have sponsored a lot of bills on this matter for years, and I think the day is now dawning when something can be done. I think you are in the place in which it can be done.

Secretary RUSK. I will be glad to answer that.

(The information requested is set forth on pp. 1315–1321.)

Senator JACKSON. Are there any further questions?

Senator MUNDT. Do you feel that in the handling of international affairs that the parliamentary body of the United States has as much impact and influence on our foreign policy as the parliamentary body of Britain has on its foreign policy?

Secretary RUSK. This is getting into dangerous ground for me, Senator, because I am commenting not only on our own Congress but on the parliament of another government.

Senator MUNDT. You are an authority on both subjects.

Secretary RUSK. I would suppose that with respect to the conduct of foreign policy throughout the year that the Congress has more influence on the conduct of our foreign relations than does the Parliament in between elections in Great Britain. The ministerial responsibility of a Cabinet in Great Britain gives them a considerable leeway or flexibility and gives them also an assurance with respect to legislation which is made a matter of government conflict, which does not pertain here. I prefer our system. It does mean that the executive and the Congress must work together in a great variety of ways and in the course of a session of Congress if our foreign policy is to succeed. This can only be done by the joint election of both.

I think our Congress has a very large influence on foreign policy.

Senator MUNDT. You mentioned during your answer to one question that you have, if I understand it, a day set aside for luncheon, I think you said Tuesday, for you and the various people in your department concerned with the general overall picture, where you sit around and sort of informally bat around the problems without any particular agenda.

Secretary RUSK. The Tuesday lunch to which I referred involves the Deputy Under Secretary for Military Political Affairs who is in the operational, in the liveliest operational role across the board so far as the departmental policy is concerned.

I go to Cabinet lunches quite regularly.

Senator MUNDT. I was not thinking of the Cabinet luncheon, but I thought you described a luncheon within the Department where you sort of discussed the whole problems.

Secretary RUSK. This particular luncheon is an interdepartmental luncheon of people comparable to, in the other agencies, our Under Deputy Secretary.

I have a morning meeting myself with the leadership of the other department.

Senator MUNDT. Do you think it would be fruitful at such luncheon or similar meeting in the morning if a procedure evolved whereby brought into those discussions would be the chairmen and the ranking members of the respective committees of the Senate and House dealing with foreign policy?

Secretary RUSK. I should like to think about that one, Senator.

Senator MUNDT. I am still pressing that. I do not want to seem unduly persistent, but the majority leader of the Senate called me over the other day and said, "I have a new nickname for you."

"What is that?" I asked.

"Bulldog Mundt," he said.

I do not know whether I like that or not but Senator Mansfield and I have been old friends for 20 years so I accept it as a compliment although after making serious reflections about the various bulldogs I have known in my life I am not so sure about it.

However, with bulldog determination I continue to press this point. I continue to feel that somehow or other before the final decisions are made these kinds of consultative conferences have a value. I think

especially in the kind of discussion which I envision you have where you do not have an agenda for formal presentation, you sit there with complete latitude, I think you said, even having some of your associates acting as a devil's advocate. If it were possible to include the chairmen and the ranking members of the two congressional committees, it seems to me that there is something fruitful that might eventuate.

Secretary RUSK. I think frequent consultation with them on what we are doing is important.

Senator MUNDT. I know you are subject to call and you come here when we call you but those are necessarily a little bit more formal. You have the recorded minutes with all the inhibitions that the recorders always present in a meeting of that type, usually discussing a specific problem, the continuing flow involved in a foreign policy.

Secretary RUSK. Senator, I do not want to appear to be evasive but there are some very complex problems here, of course. Some of them are of a constitutional nature. I think they would require a good deal of thought. I think also there is a problem of identifying responsibility.

I have some resistance to influence for which responsibility is not accepted directly.

I think the relation between the outsider, if you like, and the executive branch on questions of that sort would have to be thought through. This is one of the problems which has complicated at times the readiness of Members of the Congress, for example, to sit with particular delegations in international negotiations. They are a little worried about the question of responsibility, you see, because some of them have felt it puts them in somewhat of an equivocal position. So I think these policies have to be thought about in considerable detail in relation to responsibilities under the Constitution. I would not want to make a snap comment on it.

Senator MUNDT. You quite correctly outlined the nature of the new era in which we live, the cold war referred to by Senator Javits, that it affects all aspects of our life and it ceases to be simply a diplomatic and military contest but an economic and cultural one. It is a battle for the minds of men.

Do you feel satisfied that the people in your Department and in Government generally have the proper training and the experience and knowledge to make them as competent operators as they should be in the various activities of the cold war?

As you know, quite a few Senators of both parties have joined together in suggesting the establishment of a Freedom Commission to evolve something in the nature of a freedom academy which has as its purpose the inculcation in the minds of all peoples working in the Government the training program which you could not undertake alone but which competent people in education might do. Do you feel that there is a need for the freedom academy or do you simply want to say there is progress which needs to be made in that area or are you prepared to say we have savvy enough, we do not need any more?

Secretary RUSK. I would never say the last, Senator.

Senator MUNDT. I am sure of that.

Secretary RUSK. There is something always left over to do at the end of the day and there is always more knowledge, more capacity, and more talent that is needed for these great jobs. I think there is an awareness of this problem.

It is also true, however, that in terms of the issues called the cold war that a great deal of our success will depend upon our getting on with our main central tasks. For example, we cooperate very effectively with other governments through the World Health Organization and in other arrangements in an enormous amount of work in the health field, particularly in epidemiological control and things of that sort. We are constantly taking special precautions to make special effort to bring some epidemic under prompt control.

Now when the Chinese said recently that their outbreak of cholera was due to American germ warfare, they got nowhere because everybody knows what we are about in this field and what we have been doing about it.

In other words, we did not get into this health field as a tool of the cold war, but it has an enormous impact in explaining to people and demonstrating to them what this country is all about.

If we can do that successfully, the cold war is already half won.

Now, there are some special problems in the information field and in other techniques that have to be handled through special activities, but the main thrust of our policy, the great bulk of our effort, is in the direction which makes us natural allies with people all over the world.

This has an enormous bearing upon these issues of the cold war.

Senator MUNDT. Is it not true that we were successful in this health activity precisely because in that area of our international relationships we were utilizing people who were well trained, thoroughly equipped, completely proficient in that particular problem?

Secretary RUSK. Yes, sir.

Senator MUNDT. And we have operating in connection with the foreign aid program and in connection with all the other activities in which we are engaged abroad people who are not completely proficient in the field of understanding political propaganda, economic warfare, the whole thrust of the Communist challenge? If they were as well equipped in that whole area as doctors, nurses, and health specialists are in that field, do you not think that we would be more successful?

Secretary RUSK. I think we do need a high degree of proficiency in these specialized fields in certain aspects of the cold war.

Senator MUNDT. And in that area we have certainly not advanced as far, in my opinion, as we must in order to meet with comparable competence the challenge of the Communist operator who is well skilled and trained and knows what he is about when he gets over to some foreign country?

Secretary RUSK. I should prefer to consider that in executive session, Senator.

Senator MUNDT. Very well, I will be happy to do that.

Senator JACKSON. Thank you, Mr. Secretary. We are grateful to you for your statement this morning, and for your advice and counsel.

Under the rules of the committee we will now meet in executive session to take testimony relating to the National Security Council and its subordinate machinery.

The record will remain open for official memorandums.

Thank you, Mr. Secretary.

(Whereupon, at 12:15 p.m., the subcommittee proceeded into executive session.)

LETTER FROM ASSISTANT SECRETARY OF STATE BROOKS HAYS OF SEPTEMBER
15, 1961, RELATING TO INTERNATIONAL CULTURAL PROGRAMS

DEPARTMENT OF STATE,
Washington, September 15, 1961.

Hon. HENRY M. JACKSON,
*Chairman, Subcommittee on National Policy Machinery,
Committee on Government Operations, U.S. Senate.*

DEAR SENATOR JACKSON: When Secretary Rusk appeared before your subcommittee on August 24, he offered, in reply to a request from Senator Javits, to report on what was being done to improve the machinery for increasing the effectiveness of international cultural programs as part of our foreign policy. In answer to this request, the Secretary has instructed me to give you a full report on the Government's international cultural presentations program.

A brief description of the program, its history, and the mechanism by which it operates are set forth in the enclosed draft report for the first 6 months of 1961. Except for a brief summary of the specific presentations which are scheduled for the remainder of this fiscal year, the report is not concerned with the broad outlines of the program for the future. That is the subject to which I address the remainder of this letter.

Dimensions of the program.—The entire appropriation for the program for this fiscal year is \$2,570,800. This means that, without having any largest scale performing groups at all, such as a major symphony orchestra or theatrical group, it will be possible to present, as a maximum, approximately 30 performing groups or individual artists throughout the entire world. That a program of such small dimensions can have a significant impact is proved by the experience of the program up to now. But a significant impact, limited to a small fraction of the potential audience, is not enough. Cultural presentations literally bring a part of life in the United States to the people of other countries and gain sympathy, understanding, and good will for us in a measure that, cost for cost, few other means can match. Effective use of our national resources calls for substantial expansion of this program.

Effectiveness of the program.—If the program were to be substantially enlarged beyond its present dimensions within the next few years, it would be possible nevertheless to fill only the most pressing needs. Hence, on whatever scale it is conducted, the program must be shaped to use the resources devoted to it with maximum efficiency. Exported attractions must be tailored to the tastes of their particular audiences. Effective means must be devised of bringing American performing artists to people other than the dwellers in the great cities. There must be more accent on youth through the use of young artists as performers and through a conscientious effort to reach university and other young audiences. Large and expensive

aggregations like the great symphony orchestras must be used sparingly and more emphasis given to less costly presentations without sacrifice of artistic quality. Performers able and willing to establish personal contact through lecture-demonstrations, performances for students, and the like should, other things being equal, be given preference.

Strengthening the organization within the executive branch.—Now under study is the question of how best to organize that part of the staff of the State Department's Bureau of Educational and Cultural Affairs which has responsibility for the operation of the cultural exchange program. While we are now working out the form of organization required, we are clear that it must be well adapted to perform the following functions, in cooperation with private individuals and organizations:

- (1) to maintain a continuous inventory of artistic and athletic talent available for export;
- (2) to obtain the best available judgment on what presentations are most suitable for all parts of the world;
- (3) to encourage and assist in the creation of cultural presentations which will be suitable, if existing cultural resources do not meet the requirements;
- (4) to mobilize the cooperation and contribution of private groups and foreign governments.

The problem of organization at our posts abroad is somewhat different. At these posts, the cultural affairs officers are normally on the staff of USIA. If the program is increased in overall dimensions as it should be; if a greater number of small groups and individual artists and a smaller number of large performing groups become the prevailing pattern; and if more presentations are made outside of the biggest cities; the demands on the cultural affairs officers will increase. There will therefore be in many posts abroad a need for more personnel in this part of the operation.

Help from nongovernmental sources.—Individuals, business firms, foundations, and other organizations have given considerable support to the program from its inception, and in recent months, their interests have been manifested in many ways. Private individuals and foundations have partially or wholly subsidized tours abroad of individual artists and groups in situations where the venture would have been impossible on a commercial basis. Business organizations have done likewise, particularly in the case of very large performing groups such as symphony orchestras. These contributions have significantly served the same purposes as the Government's cultural presentations program. We have already been in touch with leaders of these private efforts, and we propose to continue to mobilize their support. In recent weeks representatives of two major symphony orchestras, for example, have had under discussion with the Department proposals for tours abroad, to be financed in part privately and in part with funds supplied by the Federal Government. Similarly, a private organization associated with American universities and colleges and with the Carnegie Hall Association has under discussion with the Department the possibility of cooperative ventures in sending student performers and young artists abroad to perform for and meet with foreign academic audiences. Through arrangements such as

these, it should be possible for the cultural presentations program to include a greater number of large performing groups and of groups especially suitable for academic audiences than could be supported by Government funds alone.

Policymaking and selection.—The broad policies of the program within the legislative mandate given by the Congress are established by the State Department in consultation with the U.S. Information Agency and other interested representatives of the executive branch. Passing on the artistic (or athletic) competence of individual performers or groups is a different matter, however. For this the Department relies, in the field of the performing arts, upon professional panels established by the American National Theater Academy (ANTA) and, in the field of athletic presentations, upon the AAU or other competent specialized bodies for cases which do not come within the AAU's field of interest.

Planning ahead.—Under current appropriations procedures, the funds for the cultural presentations program are not made available until the beginning of the fiscal year for which they are needed. Often, as this year, the funds are not available until after the fiscal year has begun. This is a severe handicap to the program, especially since it is not unusual for performing artists to book 2 years ahead. Thus, the inability to engage performers well in advance may result in less than optimum use of the funds available for the program. Any means of assuring availability of funds with a lead time of 2 years instead of no lead time whatsoever would permit better planned total programs.

New departures.—Besides efforts to make the program more effective within established lines, the Department is constantly seeking to develop new approaches. In this connection we have recently consulted informally with approximately 100 of the most eminent personalities in the field of the arts and humanities to obtain their advice and suggestions. While we are not yet in a position to outline recommended new approaches in detail, we believe that (1) cooperation with the newly emerging and less economically developed countries in programs of cultural development and (2) emphasis on mutuality of cultural exchange; that is, a flow to us of cultural presentations from other countries, with their financial support, as well as exportation by us, present promising opportunities for the future.

Sincerely yours,

BROOKS HAYS, *Assistant Secretary.*

Enclosure: Draft report.

DRAFT 10TH SEMIANNUAL REPORT CULTURAL PRESENTATIONS PROGRAM OF THE
UNITED STATES OF AMERICA, JANUARY 1-JUNE 30, 1961

LEGISLATIVE BACKGROUND AND PURPOSE

The cultural presentations program of the United States was initiated in July 1954. Permanent legislation for continuing the program was enacted on August 1, 1956, with the passage of Public Law 860, the International Cultural Exchange and Trade Fair Participation Act of 1956.

As stated in the act, the purpose of the program is "to strengthen the ties which unite us with other nations by demonstrating the cultural interests, developments, and achievements of the people of the United States * * * and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world." The law does not provide for assistance to foreign groups coming to the United States.

The following designated functions conferred upon the President by the act were delegated to the Department of State in Executive Order 10716 issued June 17, 1957, and amended by Executive Order 10912 of January 18, 1961: (1) To provide for tours in countries abroad by creative and performing artists and athletes from the United States, individually and in groups, representing any field of the arts, sports, or any other form of cultural attainment, and (2) To provide for U.S. representation in artistic, dramatic, musical, sports and other cultural festivals, competitions, and like exhibitions abroad.

The Director of the U.S. Information Agency was delegated by the Executive order to coordinate the functions provided for in the act and advise and inform the President regarding these functions.

As required by Public Law 860, the Department of State prepares a semi-annual report on cultural and athletic presentations and submits it through the Coordinator for transmittal by the President to Congress covering each 6 months of operation.

The Advisory Committee on the Arts meets periodically to carry out its responsibility of advising the President and the Secretary of State on the role of the arts as authorized by the act.

METHOD OF OPERATION

Operational authority for cultural and athletic presentations under the cultural program is vested in the Secretary of State. Action responsibility rests in the Bureau of Educational and Cultural Affairs of the Department of State, and is discharged through the Performing Artists Branch.

Congress has approved an average of about \$2¼ million annually for the operation of the program since its inception. The funds, allocated to the Department of State through the USIA Coordinator, are used to sponsor tours abroad of American performing artists and groups of outstanding caliber in the fields of music, dance, drama, and athletics, thus promoting international understanding and enhancing American cultural prestige abroad. Financial support granted by the program underwrites deficits, resulting mainly from the high cost of international transportation, and supplements tour revenues in covering the operating costs of the tour. The Department of Defense cooperates with the program by providing military transportation for a certain portion of some tours in return for performances for U.S. troops abroad, and thus helps reduce the tour cost of some projects.

Professional administrative services on a cost basis are provided by the American National Theatre and Academy (ANTA) of New York, a contract agency of the Department. Through this contractual arrangement with ANTA, the Department has available the services of three advisory panels composed of outstanding authorities in the fields of music, dance, and drama, which pass on the artistic caliber of those applying for assistance under the program, thus assuring competent and impartial assessment of artistic excellence in the performing arts field. The Academic/Community Advisory Panel, a subcommittee of the Music Advisory Panel, was created to advise on academic and amateur groups in the music field. The American Educational Theatre Association reviews academic theater groups. Only cultural attractions that have been recommended by the appropriate panels as qualifying artistically have been assisted under the cultural program. In connection with services performed for the cultural presentations program, ANTA has no inherent authority, but acts as contract agent for the Department. The necessary administrative funds for ANTA's services as well as the entire amount of subsidy support required for every project is provided by the Department of State.

Athletic groups touring under the program are recommended to the Department by national athletic organizations which judge the merit of performing athletes. The Amateur Athletic Union (AAU) handles the majority of the program's athletic projects. Arrangements for athletic tours are always made through an athletic organization rather than directly with a team or individual. The athletic organizations do not charge the program for services rendered.

The performing artists branch is guided by the judgments of area and desk officers in the Department and USIA and by the expressed desires and needs of the posts, in making final decisions on selection of individual artists, cultural and athletic groups, itineraries, approval of local bookers or impresarios, and local financial terms.

The U.S. Information Agency is responsible for publicizing the tours of artists and cultural and athletic groups. USIA sends promotional material in the form of press books, feature stories, photographs, taped interviews, trailer films and recordings to the foreign service posts for use in promoting the cultural presentations program attractions through press, radio, television, and exhibits.

PROGRAMING POLICIES

Programing is done on a geographic area basis because of the limitation of funds. This type of programing is economically necessary since it permits the prorating of international transportation costs over many countries. Programing under this method precludes the more ideal scheduling of events based on sending the attraction which is particularly suited to the specific needs and desires of each individual country. Recently there have been increases requested from countries for presentations at specific occasions. Some of these requests have been complied with because of the importance attached to American participation in the particular event. Any increase in programing for individual countries, will, of necessity, result in a certain reduction of funds available for area programing. Every effort, however, is made to cover spot requests for cultural attractions to appear in festivals, fairs or other celebrations if they fall within the time period of a regularly scheduled tour.

Emphasis in current programing is based principally on effective achievement of program objectives rather than on income. In this connection, maximum impact on the people of the country visited is clearly more important than maximum revenue. Policies on admission prices and distribution of tickets have been designed accordingly, and include provisions for free or very low-cost tickets to students, labor groups and other important segments of the public for whom high admission fees would be prohibitive. Special attention is given to field recommendations regarding the most effective utilization of attractions. Reports from Foreign Service posts continue to recommend that only top-quality performers in both the cultural and athletic fields be assisted under the program.

Individual artists, small musical groups and athletes are generally able to tour Europe under private commercial sponsorship. More than in other areas, therefore, emphasis is put here on assistance to larger groups such as symphony orchestras, ballet companies and dramatic troupes, which otherwise would be unable to tour Europe on their own.

Special emphasis is given to programing attractions in Eastern European countries, especially in the Union of Soviet Socialist Republics, as a result of the exchange agreement of January 1958, the agreement of December 29, 1958, relating to the reciprocal exchange of exhibitions in the summer of 1959, and the exchange agreement of November 21, 1959. These agreements are significant steps in attempting to improve mutual understanding between the people of both countries through reciprocal exchanges.

On the basis of field recommendations, more popular types of cultural attractions are programed in the Near East and southeast Asia, since they have a greater impact on local audiences than the serious classical presentations. Individual artists and small musical and athletic groups are more effectively presented in this area since they do not require special facilities for staging, transportation and accommodations. Larger musical groups, instrumentalists, and vocalists, especially in the classical field, are desired in the more sophisticated cities of the Pacific area of the Far East.

Because of the extreme cultural diversity of Africa, that continent is divided into several geographic regions having similar cultural tastes and requirements. Individuals and groups are selected for particular suitability to specific areas.

ACCOMPLISHMENTS AND PROGRAM EVALUATION

A total of 199 tours of American cultural and athletic groups and individual artists have been approved for assistance since the inception of the program. Of these, 182 tours involving 3,831 performers have been completed with performances in cities of 111 countries. During the first 6 months of 1961, the period covered by this report, a total of 71 countries were toured by 11 attractions including a drama company, a jazz band, a university symphonic band, an ice show, a string quartet, a jazz trio, a pianist, and basketball, boxing, and gymnast teams.

Presentations under the program in its 7 years of existence have been very instrumental in creating new appreciation of and respect for the cultural, artistic and athletic attainment under our system of government.

Presentation during period Jan. 1, 1961—June 30, 1961

Name of attraction	Area toured	Cities	Number of performances	Length (weeks)
American Repertory Co.....	Europe, NEA.....	24	83	14½
Louis Armstrong.....	Africa.....	17	15	3
Charlie Byrd Trio.....	Latin America.....	34	63	12
Holiday on Ice.....	Africa.....	15	101	19
Julliard String Quartet.....	Far East.....	25	34	7
Philippa Schuyler.....	Africa.....	2	2	½
University of Michigan Symphonic Band.....	Eastern Europe, NEA.....	27	81	14
AAU basketball teams.....	USSR.....	2	6	2
AAU boxing team—West Africa.....	Africa.....	11	45	7
AAU boxing team—East Africa.....	Africa, NEA.....	6	34	5
AAU gymnast and trampoline team.....	NEA.....	10	42	7
Harlem Globetrotters.....	Europe, EE.....	8	20	3

¹ Represents cities and performances during report period only and not during entire tour.

FUTURE PLANS

Assistance under the Department's cultural presentations program has been approved for future tours of several cultural and athletic groups. These presentations include a theater repertory company, an opera, a marionette show, a variety show, a small dance troupe, a trio, a popular quartet, individual artists at competitions, a university drama group, a conservatory symphonic band, a basketball team, a track and field team and a weightlifting team.

Field requests for a longer stay of artists in each place, coverage of special events such as festivals, fairs, and other local celebrations and additional performances in provincial areas are being given special consideration. The limitation of funds, however, precludes any considerable expansion of area programming.

Plans are under way to assist the following groups.

American Repertory Company.—The Theatre Guild American Repertory Company was organized by the Theatre Guild to present abroad American Drama in English. The American Repertory Company is presenting three outstanding modern plays: "The Skin of Our Teeth" by Thornton Wilder, "The Glass Menagerie" by Tennessee Williams, and "The Miracle Worker" by William Gibson. The company is headed by Helen Hayes and Leif Erkson. It is scheduled to tour Latin America from August to November giving performances in Trinidad, Colombia, Peru, Chile, Argentina, Uruguay, Brazil, Venezuela, Costa Rica, Guatemala, and Mexico.

Baird Marionettes.—The Baird Marionette Theater is scheduled for a 3-month tour of India beginning the end of December 1961 and will give performances in Nepal.

Eastman Philharmonia.—The Eastman Philharmonia of the Eastman School of Music of the University of Rochester, New York, is scheduled to tour Europe beginning late November for a period of about 15 weeks.

Golden Gate Quartet.—The Golden Gate Quartet is being assisted to tour Africa for about 4 months beginning January 1962. The group specializes in Negro spirituals, folk songs and ballads. The quartet completed a successful tour of the Near and Far East under program auspices from December 1958 to April 1959.

Michael Rabin.—Michael Rabin, violinist, is scheduled to perform in Akureyri and Reykjavik, Iceland, in September.

Santa Fe Opera Company.—The Santa Fe Opera is receiving limited assistance to perform at the Berlin Festival and in Belgrade during late September and early October. Igor Stravinsky will conduct two of his works, "Persephone" and "Oedipus Rex." The company will also present Douglas Moore's "Ballad of Baby Doe."

Stern, Rose, Istomin Trio.—Issac Stern, Leonard Rose and Eugene Istomin are scheduled to extend their Near East tour and perform in Tehran, Iran in September.

George Tapps Dance Group.—The George Tapps Dance Group of eight performers is scheduled to tour Africa beginning late November. The group specializes in tap-ballet.

University of Maine Theatre Group.—Assistance under the cultural presentations program is planned for the University of Maine Theatre Group for a 3-month tour of India and Pakistan beginning February 1962. The approved repertory includes two full length plays, Dore Schary's "Sunrise at Campobello" and Eugene O'Neill's "Ah! Wilderness," plus three one acts, William Saroyan's "My Heart is in the Highlands," Paul Green's "Saturday Night" and Thornton Wilder's "The Happy Journey."

Variety Show.—A variety show will tour the Near East, Far East and North Africa from August 20 to December 23 giving performances in Afghanistan, Nepal, Thailand, Cambodia, Vietnam, Laos, Indonesia, Singapore, India, Iran, Jordan, Libya, and Tunisia. The show consists of the following acts: Buddy Rich and his Jazz Sextet, the Four Step Brothers, Negro dancers who do tap, soft shoe and other dance routines, a pantomime comedian, a juggler, a puppetry and balloon specialty act, a trio singing popular songs, headed by Joey Adams as master of ceremonies.

Young artists competitions.—Selected young Americans of great talent are given round trip transportation and per diem to participate at international competitions.

Andrew Heath, Jacob Maxim, and Jerome Rose have been selected to participate in the Ferruccio Busoni international piano competition in Bolzano, Italy, August 25 to September 6.

Selected to participate in the 10th international music competition, in Munich, Germany, September 6 to 20, and the 17th international music competition in Geneva, Switzerland, September 17 to 30, are Alpha Brawner, Beverly Christensen, George Hoffman, and Adrian Ruiz, with Mena Marucci participating in the Geneva competition only.

Michael Tree is scheduled to participate in the Carl Flesch Medal international violin competition to be held in London about November 1, 1961.

Toby Saks is entering the Casals third violincello competition to be held in Geneva, Switzerland, from September 23 to October 2.

AAU basketball teams.—Two topnotch AAU basketball teams from the industrial leagues are to tour the Near East beginning October for about 2 months.

AAU gymnast team.—An AAU gymnast team of 12 athletes is scheduled to perform in Prague, Bratislava, and Moscow from August 16 through September 3.

AAU track and field team.—An AAU track and field team is scheduled for performances in the U.S.S.R. in July.

AAU weightlifting team.—An AAU weightlifting team will give exhibitions in the U.S.S.R. in July.

Kramer tennis team.—The Jack Kramer tennis team is scheduled to go to the U.S.S.R. under the U.S.-U.S.S.R. exchange agreement in July and will play in Moscow, Riga, Leningrad, Tallinn, and Tbilisi.

EFFECTIVENESS

Program goals are achieved in two principal ways. First, through the presentation abroad of the very best in American music, dance, drama, and athletics, the audiences are able to judge at first hand the degree of cultural and artistic attainment in the United States. Second, offstage activities of artists and athletes are of paramount importance in fulfilling the objectives of this program. Personal contact of the American artists with local cultural leaders, critics, and the press, through social functions and other meetings, help to bring about mutual understanding.

Substantial program values are produced through other media than live attendance at concerts or other performances. Local press reviews reach millions of readers who might not be able to attend the performances. Simultaneous radio broadcasts and telecasts reach audiences far beyond the capacity of any concert hall. Tapes and films made during a performance multiply the potential impact of a presentation. Artists are encouraged to lend all possible assistance to these media efforts in broadening program effectiveness.

Indications of the effectiveness of cultural and athletic presentations compiled from foreign press and field post reports are included in the appendix.

STATE, DEFENSE, AND THE NATIONAL SECURITY COUNCIL

THURSDAY, AUGUST 24, 1961

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met in executive session at 12:25 p.m. in room 3110, New Senate Office Building, Senator Henry M. Jackson (chairman of the subcommittee) presiding.

Present: Senators Jackson, Muskie, Mundt, and Javits.

Also present: Senator Bush.

Staff members present: J. K. Mansfield, staff director; Dorothy Fosdick and Brewster C. Denny, professional staff members; and Roderick F. Kreger, minority counsel.

Also present: Robert Berry, Senator Mundt's staff, Herbert Blitz, Senator Javits' staff, Charles Johnson, National Security Council staff.

Department of State officials present: The Secretary, accompanied by Hon. George McGhee, Counselor and Director of Policy Planning Council; Hon. Roger W. Jones, Deputy Under Secretary for Administration; and Gus Peleuses.

Senator JACKSON. The committee will come to order.

The purpose of the hearing this morning is to take testimony from the Secretary of State, in accordance with the rules laid down by the committee, in the area of the National Security Council and its subordinate agencies. Testimony of a substantive nature relating to the National Security Council or the agenda of the Security Council will not be taken. This is in accordance with the guidelines previously agreed to by the chairman of this committee with President Eisenhower. Those rules still apply.

It is understood that the Secretary of State will have a chance to review this record and make such deletions as he deems necessary in the interest of national security considerations. The other testimony will then be made public.

It is also understood that the Secretary of State will have the opportunity of going off the record at any time he so desires.

Senator JAVITS. Is the Chair satisfied with the security arrangements for this transcript and everyone who is participating?

Senator JACKSON. Yes. Everyone on the staff must have top secret clearance.

Secretary RUSK. Mr. Chairman, I would welcome the chance to exchange complete candor for discretion.

Senator JACKSON. That is right. I think we want to be fair to the Secretary because we want to have the benefit of his advice and counsel. I would suggest that we start with questions in connection with the machinery of the National Security Council and subordinate agencies, and then deal with some of these other matters and go off the record if you see fit.

Mr. Secretary, as one of its first acts the new administration abolished the Operations Coordinating Board. Will you comment on the reason for this or at least your understanding of why this was done?

Secretary RUSK. The principal reason was to identify the responsibility of departments, and within departments the responsibility of individuals, for following through on decisions of the President or, in our case, of the Secretary of State.

Over a period of time—and this goes back to World War II days when I was on the General Staff—we had felt that much of the committee machinery left dangling and hidden vetoes all over town and that this tended to slow down operations rather considerably.

Now under the present situation we get policy guidance from the President on an agreed basis. Operational responsibility is assigned to a department. That department has the responsibility for keeping in touch with other departments and agencies that are interested, but not necessarily on a veto basis. If an important question does come up or if another department or agency raises a point to which it attaches great importance, then, of course, that point has to be brought up to the policy level for determination.

We have also found that we must speed up the processing of papers among departments—that the action people have to be in a position to act promptly.

Now we have to get ourselves in a position, so that once the policy is established, we can move. I know that we have raised certain problems in the presentation of our foreign aid bill to Congress by a great many deletions of clauses that were in the bill before: with respect to any one of these deletions, there was no particular objection to the clause, itself. But we were trying to cut away as many of the impediments to flexible and speedy action as possible.

A good many of those clauses have been put back and they won't damage us unduly, but ability to move promptly is something we desperately need. We have many such problems inside the executive branch. Some of them are legislative in origin, but our chief problem arises within the executive branch itself. The decision to move operating responsibility to the Department away from the Operations Coordinating Board was in the interest of having a man who knew it was his job to see that things moved.

Senator JACKSON. Emphasizing individual responsibility.

Secretary RUSK. That is correct.

Senator JACKSON. So that you rely on the traditional departments to follow through or on an action officer who will carry it out.

Secretary RUSK. That is right.

Senator JACKSON. Along this same line, Mr. Robert Lovett had a very interesting comment in connection with his testimony last year before this subcommittee. He told us then:

* * * the idea seems to have got around that just because some decision may affect your activities, you automatically have a right to take part in making

it * * * there is some reason to feel that the doctrine may be getting out of hand and that what was designed to act as a policeman may, in fact, become a jailer.

Mr. Lovett called this the foulup factor in our methods. He was referring to all of those interdepartmental committees that had been set up and the desire on the part of all the different departments to get into the act. Do you have any comment on that?

Secretary RUSK. Yes, sir. Mr. Lovett and I, over the years, have talked about this problem. I phrased that potential Parkinson's law, that "everyone who is affected by a decision must participate in making it." Now, this is a great burden upon policy formulation and action, but on the other hand it throws a very large responsibility on the department primarily concerned to insure it does in fact take into account these other interests.

In other words, a particular decision may involve five or six departments of government. It may not be desirable to have all of those sit in on the entire policymaking procedures, but it is of critical importance that those who do make the policy fully understand what the interest of the Department of Labor, the Department of Commerce, or the Space Agency, might be in a particular decision. At times that means that you do, in fact, draw them in, but you don't set up a machinery which gives them a veto.

Senator JACKSON. This is where your State Department generalists come in who have to have special knowledge, too, in given areas to understand the relation of the problems of some other department to our foreign policy.

Secretary RUSK. It underlines the importance of having people in foreign affairs positions who understand without having to be told that those factors are in the picture.

Senator JACKSON. Now, if we can turn to the old NSC Planning Board, what was the reason for abolishing the Planning Board and do you think the new system of policy planning and development will work better than the old Planning Board system?

Secretary RUSK. I think one of the reasons for abolishing it was to put stronger emphasis upon planning within each of the departments. This tended to leave the wrong impression—this is, again, not a partisan criticism; this goes back a long way. There was a tendency to think that if there is a planning board over here, then they will be doing the planning and the rest of us need only consider the operational side.

At the present time the departments are responsible for assuring that there is a planning orientation of their own departments at all levels. This was, I think, one feature.

Secondly, we felt that general planning was not of too great utility. It was important in terms of the education of those who were to make policy decisions, and for the background, alternatives, and general orientation of policy. The most effective planning, however, is that focused rather particularly on a situation or on a developing crisis or any idea on foreign policy. We have used as a planning technique the task force arrangement by which, under the leadership of a known individual, people are drawn from the affected agencies to sit down and think in a concentrated fashion about one particular problem or set of problems.

I think this applies not only to planning but to operation. But the interdepartmental task force is, I think, preferable in many instances to a professional interdepartmental planning board, because it can call upon those from each of the departments who have not only the deepest background of the group in the particular problem, but also who will have a heavy responsibility for it when the planning is over.

I think one of the most effective task force exercises was the practically one-man task force that Mr. John Foster Dulles constituted in getting the Japanese Peace Treaty. I think that had we tried to handle that problem on an interdepartmental committee basis we could never have gotten that peace treaty negotiated and ratified. He simply took it on with a two-page letter from the President, saying, "Dear Mr. Dulles: I want you to get a peace treaty of this sort with Japan."

On the basis of that he could cut away the stacks of materials that had been developed over the years in the departments. He concentrated on a simple treaty of reconciliation. My job, as then Assistant Secretary of Far Eastern Affairs, was not only to support him, but to block off interference from all the agencies over town. They knew that if they wanted to interfere they had to go to the President and this was difficult to do. The task force technique provides the President and the Secretary with an instrument with which they can concentrate on a job and move in on it, without the unnecessary interference that might come from around the fringes.

Senator JACKSON. Mr. Secretary, one of the many problems any administration faces is a proper division of labor and responsibility between the Secretary of State and the President's own foreign policy and defense aides in the White House and Executive Office. Would you describe briefly the division of responsibility between you, on the one hand, and for example, Mr. McGeorge Bundy and General Taylor on the other?

Secretary RUSK. General Taylor is a personal adviser to the President on military and intelligence matters and he effects a close liaison with the two agencies principally engaged in those two fields. I do see him frequently when we have a particular group that is called together to think about, talk about a particular problem.

The chief role which the advisers in the White House play is that of liaison and of assistance in the preparation of papers and agenda of meetings. They do not operate as independent policymakers. They are in very close touch with us through two or three channels. I have in my own office the chief of the Secretariat, Mr. Lucius Battle, a very able man, who is the regular channel of contact with the White House. There is an enormous flow of papers through that channel, partly because the President must individually, personally, act upon a great many foreign policy matters resulting from the provisions of statutes, wherein he is authorized or permitted to exercise discretion one way or another. In many of these cases this is largely a personal discretion.

Then Mr. McGeorge Bundy and Mr. George McGhee are in frequent touch with each other, Mr. McGhee being head of our Policy Planning Council. They, for example, are both in the Tuesday luncheon group, cited a moment ago. We also constitute special groups when the President wants to talk to a few people on an ad hoc basis about a particular problem.

Whatever the subject might be, one or the other of the White House staff will be present—Mr. McGeorge Bundy normally, because he makes notes at the meeting and sends along reminders to us of what was decided so appropriate action will be taken.

I would point out that there are other members of the White House staff with whom we necessarily work very closely—Mr. Pierre Salinger, for instance. We work frequently with Mr. Lawrence O'Brien, who is the President's legislative liaison special assistant, also with Mr. Ralph Dungan. And we are working very hard at the present time with top business leadership and others, to try to find some of the talent we need for key positions in our work both at home and overseas.

Senator JACKSON. You say it is a very close working relationship or liaison?

Secretary RUSK. That is correct.

Senator JACKSON. With the White House staff. This applies to the relationship in connection with NSC also?

Secretary RUSK. Yes. The NSC staff has on it a number of people of considerable competence. When we have an interdepartmental task force on a particular problem, we ask one or another White House staff member to sit in on that task force, whether it is Mr. Rostow, Mr. Goodwin, or whoever it might be.

Senator JACKSON. In the open session we mentioned the feeling on the part of many of us on the committee and of witnesses before the committee and of the President, himself, regarding the necessity of reestablishing the primacy of the State Department in foreign policy matters.

Do you find that you are getting good cooperation from the other departments in doing this job of pulling all of the elements of national security together and do you meet with some resistance or do you have any particular trouble in this area?

Secretary RUSK. I literally don't feel any, shall I say, interdepartmental resistance on a bureaucratic basis in this matter. I think the attitude of the heads of those departments is all that one could ask for and that that attitude is making itself felt right down inside the departments.

It is perfectly obvious, and indeed desirable, that from time to time there would be differences of view or emphasis between departments on particular questions and these are talked out between the Secretaries and, if necessary, with the President. But the general attitude of cooperation, I think, is very well established.

Senator JACKSON. There are some traditional problems, naturally, jealousies that exist between departments.

Secretary RUSK. That is right.

Senator JACKSON. And this runs down into the departments at lower levels, but do you feel that the heads and the key agencies, at least, are doing everything they can to carry that out?

Secretary RUSK. There is a certain feeling of jealousy in the lower echelons of both of these departments. I know that there is a problem at times whether I see it or not. We are constantly working to get a more complete exchange of information and ideas right down through this whole machinery.

Senator JACKSON. There are always those in other departments who may have something to offer in connection with the relation of their domestic programs to foreign policy, but they may also think sometimes that they have good ideas about how foreign policy itself should be conducted.

Secretary RUSK. I think, Mr. Chairman, there is one test of this: it has nothing to do with effort made in departments to censor their own people. If there were sharp controversies between departments and bitter spirit and lack of readiness to cooperate, I think you would see far more press leaks about differences between departments than you do. This is a fairly good thermometer on this business. There have been one or two leaks, one or two for which I still carry some bruises, but when you look back over 7 months, this has been a remarkable record in this respect.

Senator JACKSON. You mentioned the ad hoc, informal groups for policymaking. Some people say maybe we have gone too far in this direction, that the system becomes a bit too casual at times. Do you have any comments on that?

Secretary RUSK. I think we might draw a distinction between certain of the groups that were put together at the very beginning of the new administration, and what I would call a task force as I discussed a little earlier. When the President took office there were certain things that had to be done straight away and with some urgency. For example, we had to meet a deadline on negotiations on nuclear test bans. We had to get a program up to the Congress fast on problems arising out of the Act of Bogotá—on the \$500 million social development plan. We had to get our foreign aid program whipped into shape.

These matters were handled by special task forces, specifically drawn in to get a job done at a pace at which the normal machinery could not be expected to operate. Now the foreign aid task force has gone out of existence, the Latin American task force has been disbanded and the Assistant Secretary has taken it on there.

When task forces are put together from now on for a particular problem, the Assistant Secretary or his deputy will be placed in charge, so responsibility will remain within the geographic bureau.

Task forces are serviced by the Operations Center on a 24-hour alert basis. We discovered we need indeed just that. But the task forces being serviced are a part of the Department's normal responsible bureau.

Senator JAVITS. I wondered about this Operations Center, Dean. Does this actually have a top-level man in charge of it every hour of the day and night? I mean a really top level fellow?

Secretary RUSK. It has a responsible Foreign Service officer—not just a junior clerk—in charge throughout the day and night. Its communication setup will be rapidly improved. The center assures us that there is someone who can alert the Department and raise people for the necessary action at any time of the day or night.

Now, we do need—this is a little beside the point of this particular hearing, Mr. Chairman, but we are going to have to improve greatly our communications facilities in order to be ready for some of these crises which occur, not only on normal communications, which are in normal instances too slow—

Senator MUNDT. You are talking about communications within the Department?

Secretary RUSK. No, international communications, under U.S. control. I ran into this first when I was in Bangkok for the SEATO Conference. Any communications delay with Washington is something that the United States cannot afford these days. We will have proposals on that to try to improve this.

Senator JACKSON. The Defense Department has good communications. Certainly, you folks who have the responsibility to make decisions in this field would need this—especially you as Secretary of State.

Secretary RUSK. There are some extremely delicate technical problems which are causing us to revise basically some of our communications techniques. Again, with our large number of new countries to deal with and with this turbulence going on in the world, we have had to ask for 50 additional people to avoid a substantial backlog in the actual decoding of the incoming telegrams.

There are times when a few hours delay in receiving a telegram can make a very large difference when you are handling a situation.

Senator JACKSON. To get back to the ad hoc groups and the informal committees that meet, are the decisions that have been arrived at put in writing so that there is a clear record, so that what is agreed upon is clearly understood, and so that the followthrough will be carried out in accordance with decisions? The question arises whether some of these things get too casual and some of the understandings or agreements are misunderstood.

Secretary RUSK. Our present practice is to put these matters in writing so the responsible departments will better be able to follow up on the action to be taken. But some care has to be taken not to let these action papers get imprisoned, because those very pieces of paper themselves need constant monitoring to be sure they continue to be relevant to the situation.

So from time to time we bring decisions back to the Secretary or President for adjustment in the light of changes in the situation.

Mr. McGeorge Bundy, for example, after meeting at the White House, circulates a note to make clear to everybody exactly what was decided. If there are differences of understanding as to what was decided that is straightened out.

Senator JACKSON. My next question was directed to that.

Mr. Bell told us earlier this month that nobody in the administration is yet "satisfied with the basic system for appreciating, analyzing, and proposing solutions to the biggest questions we face in the national security area. These are problems that concern primarily the State and Defense Departments."

Toward what type of basic system do you think the administration should move to do a better job than it now does?

Secretary RUSK. I don't, myself, believe, Mr. Chairman, that there is an organizational gimmick that will meet this problem. I would agree with Mr. Bell that we have not reached the point that we should like to reach in dealing with these matters, but we must keep in mind that these are problems of the most incredible complexity. When you think about the nature of modern weapons, the confrontation between the free world and the Soviet bloc, the problems of negotiating within

the shadow of a nuclear exchange, the problems of really identifying the vital interest for which you must be prepared to use whatever force is necessary as an alternative to surrender on the vital issue—these are things that make pygmies of us all.

I don't think we will ever be able to say that we have fully got them under the kind of control we would like to have. But again, I think this is a matter of continual work to develop a situation in the world which makes these problems easier to handle. There is also the problem of developing people with a deeper and broader understanding of what the problem is and how it can be handled. I think the Nation, itself, is learning as we go along. I was deeply encouraged, for example, to know that despite the costs of the additional military effort we had to make, that both Houses of Congress gave the extent of financial support to the foreign aid program which they did and did not take their eyes off the nature of the crisis right around the globe and say, "Build our defense at the expense of foreign aid." I think this is the kind of learning that we, as a nation, must seek in the years ahead.

Senator MUNDT. Do you have adequate control to have a centralized foreign policy? I am disturbed about this type of thing and I don't say this in criticism of Under Secretary Bowles but when I read in the paper at some oversea places he says he has some doubt about our legal rights in Berlin, you say, there is no question about it, we have some legal rights, it is confusing to the people of the world.

Senator JAVITS. What about Nehru this morning, too?

Secretary RUSK. Part of this is the problem of reporting. Actually, what Mr. Bowles said on that subject was that these people in the neutral countries are far more interested in the issue of self-determination than they are in that of legal rights. Now, this is an accurate report in terms of the attitude of these neutral countries. Mr. Bowles did not give away or intend to give away the importance that we attach to these legal rights.

Senator MUNDT. I can understand Nehru because he is unpredictable on a lot of different subjects, but when it comes from within the hierarchy of our own department—

Secretary RUSK. In the particular instance you cited this was inaccurate reporting. But there is a broader problem of a sufficient degree of policy understanding, direction, and control, so that any Presidential appointee who is traveling and making speeches or is in contact with the public or the press will be able to know, without having to clear everything that is said back to one central place, to know that he is speaking within the range of policy.

That is the problem that it takes a new administration a little time to pull together. We do work at that. I think we have made very good headway.

Senator MUNDT. The fact that bad reporting, unfair reporting contributes to this misunderstanding leads me to that final question which goes back to the thing we talked about in the open session. That is what I and a lot of other Senators and Congressmen believe is the vacuum that we have not filled up in this relation to the Freedom Commission, Freedom Academy. We know there are six Russian institutions through which their people who represent Russia overseas are trained and they are trained to get the particular kind of

image that they are trying to create, and they do it with a great deal of consistency.

I don't think we have that. Mr. Bowles, of course, knows there is an irresponsible element of the press abroad which is greater by far than anything we have in this country. If we are going to talk about things like that you must know there is danger in its getting back to this country incorrectly.

You have some business executive to handle foreign aid; he does not realize when he is saying something he is feeding the propaganda mills of the Communists. I do think we need training in this whole area of cold war activity, those who represent us abroad, whether it is your Department or the Department of Commerce, the commercial attachés or agriculture attachés, and it is not being done.

What we envision with our approach is something which under the overall direction of the Government would provide that. One thing that appeals to me about Mr. Shriver's approach to the Peace Corps is that these people are being trained, physically, mentally, realistically. He is not going to send them over without at least some kind of training.

Now, we have not been doing that. I see no indication that we are going to do it because when we come up with suggestions at the congressional level, there are a lot of "if's, and's, and but's," that are raised, which are understandable but there is nobody down there that says, let us not do it this way, if something needs to be done, let us do it this way.

Secretary RUSK. The problem is so comprehensive that it is a part of everything we do. I think the problem is the general one of training everybody to take into account all elements of his job right through the entire work of the State Department, USIA, ICA, foreign aid, and so forth.

I think we do need to step up our in-service training in a variety of ways, but what would constitute the actual curriculum and especially what time would be involved in working on this particular plan will, I think, need a good deal of study. One is the problem of duplicating the experience and understanding of, say, a Chip Bohlen in this cold war business. He got it the hard way. He got it by working at it, living with it year after year.

Senator MUNDT. This is the whole concept of education. People who get things the hard way are able to relate them to people the easy way so that they can catch up faster. We envision, Mr. Secretary, that the Chip Bohlen, the Allen Dulleses, the J. Edgar Hoovers, the Dean Rusks, the people who have learned this through experience, take the folks who have been trained in service to do a good job, to do a good job of agriculture attachés, and to make them effective operatives as proponents of our way of life and as opponents of the Communist way of life.

This is something apart. This is something new in this cold war era. I don't think we should send out amateurs to compete against professionals who are skilled, knowledgeable; our people are just as dedicated. At the end of the road they know what they should have known the day they landed in Bangkok. We have been pressing for that and it seems to us so important. We are not married to any particular concept.

As I say, I like what Shriver is doing. He has people down in El Paso and they are training. We have to find a way in which we can condense this and compress it and give it to them fairly quickly and equip them as we train the military.

Secretary RUSK. I would like to see the lectures that will be delivered to these people put down in a book.

Senator MUNDT. We would be happy to have you help write them.

Secretary RUSK. I think a lot of good homespun wisdom can be passed along very effectively and quickly that way.

I do believe that training those under you is, itself, a continuing function of leadership and that at all levels we have to have our ambassadors in the field training their younger people—our Chip Bohlen, training people working under them—training them in the entire operation. Training in these subjects must be pervasive like in a classroom subject.

Senator MUNDT. We have many ambassadors abroad who, themselves, need to be trained. They are, themselves, the world's worst teachers. They have come up in the administration because they have been socially or politically prominent in the campaign. We have a lot of ambassadors who, themselves, should have this training. Isn't that correct?

Secretary RUSK. Yes.

Senator MUNDT. In this technique of the cold war.

Secretary RUSK. Comprehensive understanding.

Senator MUNDT. The Communist technique is so complicated, so comprehensive, so dexterous and they understand it so well and under a monolithic government if they are people who get far enough to the top to be ambassador or foreign officer, they are pretty hep. These are pretty skillful operators. Even sending a president of "X" corporation over to be an ambassador, who is a mighty fine businessman, he is a babe in the woods up against this kind of thrust.

Secretary RUSK. In many embassies we have experts on this matter.

Senator MUNDT. We are thinking in terms of a team of experts. I wish you would come up with a substitute or an affirmative answer. I don't think we can afford to have these "nyets" come up to us when we have this real problem which is here and which is urgent, which is immediate. The Freedom Academy is not something we can say some happy day, after the Berlin crisis we will take a look at, because we are living in a world of crisis. This is a way to meet a crisis in a tranquil society.

Secretary RUSK. We will give some more thought to this.

Senator MUSKIE. My first question is this: With the elimination of the Planning Board and the Operations Coordinating Board, what is left of the NSC institutionally, other than a convenient label for a meeting of people who would probably meet anyway?

Secretary RUSK. It has, first, a small NSC staff headed by Mr. McGeorge Bundy, which provides excellent machinery for prompt and immediate liaison with the President or with any other members of the White House staff whose help is needed on a particular problem.

Also, the staff is in turn a valuable aid to the President. They meet with him as part of the regular Presidential staff meetings, and they pass along to the departments requests for information or questions or suggestions that might be raised by the President himself.

Secondly, this staff also helps in preparing the necessary papers and agenda that may be needed for meetings of the NSC or any groups related to it. I consider that the meetings of the NSC are themselves important; however, this is only a part of the process by which the President consults with his chief advisers—frequently with various combinations of members who might ordinarily be at an NSC meeting. The staff is valuable in passing things over that we know the President will be interested in or that will need his attention. The staff pulls matters together for presentation to the President at the earliest opportunity consistent with the President's own needs and his own schedules.

We would be greatly crippled if that staff went out.

Senator MUSKIE. A second question in the same area. The elimination of the Operations Coordinating Board, I hope, as part of the structure, does not eliminate the followthrough which it seems to me is implicit in its existence, the followthrough on action by the operating department to implement this.

Secretary RUSK. The followthrough becomes a responsibility of the department concerned. The periodic reports submitted both to the Secretary and through the NSC staff to the President on the followthrough, is an important disciplinary element in the followup decisions made.

Senator JACKSON. Mr. Secretary, it has been a marathon session. It is now 25 minutes of 2 or a little better. We are most grateful to you for giving us of your time and counsel in this study we are making. I know I speak for all the committee in extending to you our appreciation. Thank you.

Secretary RUSK. Thank you, Mr. Chairman. I am grateful for the privilege of being here. I want to express appreciation, not only for me personally as Secretary of State, but also for the Department, for the extraordinary help which this study has been in the conduct of our foreign relations and in dealing with these very difficult problems of national security policy. I don't know that there can be found anywhere a more thorough and penetrating look at this complicated problem than the reports coming from this committee.

We are grateful to you and your colleagues for having undertaken it.

Senator JACKSON. Thank you, sir.

(Whereupon, at 1:35 p.m., the subcommittee was adjourned.)

**Exchange of Letters Concerning the National Security Council
Between Senator Henry M. Jackson and Mr. McGeorge Bundy,
Special Assistant to the President for National Security
Affairs**

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
July 13, 1961.

MR. McGEORGE BUNDY,
*Special Assistant to the President for National Security Affairs,
The White House, Washington, D.C.*

DEAR MR. BUNDY: As you know, our subcommittee will shortly hold hearings bringing to a close its nonpartisan study of how our Government can best staff and organize itself to develop and carry out the kind of national security policies required to meet the challenge of world communism.

As you also know, we have been deeply concerned from the outset with the organization and procedures of the National Security Council, its subordinate organs, and related planning and followthrough mechanisms in the area of national security.

Early in our study, the previous administration was kind enough to make available to the subcommittee a series of official memorandums describing the functions, organization, and procedures of the National Security Council and its supporting mechanisms. These memorandums, which were printed by the subcommittee in our *Selected Materials*, proved of great interest and value to our members, to students and interpreters of the policy process, and to the wide general audience which has been following our inquiry.

The purpose of this letter is to ask whether the present administration could now furnish us with official memorandums which would be the current equivalent of the above documents given us by the Eisenhower administration.

I presume that this material is readily at hand, and that it could be made available to us by August 4, so that we could profit from its study during the final phase of our hearings and make it a part of our permanent record.

Sincerely yours,

HENRY M. JACKSON,
Chairman, Subcommittee on National Policy Machinery.

THE WHITE HOUSE,
Washington, September 4, 1961.

HON. HENRY M. JACKSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: I have thought hard about your letter of July 13, which asks for official memorandums that would be the current equivalent of memorandums submitted by the previous adminis-

tration. I find that this is not easy to do, but let me try. The previous administration wrote out of many years of experience in which it had gradually developed a large and complex series of processes. This administration has been revising these arrangements to fit the needs of a new President, but the work of revision is far from done, and it is too soon for me to report with any finality upon the matters about which you ask. It seems to me preferable, at this early stage in our work, to give you an informal interim account in this letter.

Much of what you have been told in the reports of the previous administration about the legal framework and concept of the Council remains true today. There has been no recent change in the National Security Act of 1947. Nor has there been any change in the basic and decisive fact that the Council is advisory only. Decisions are made by the President. Finally, there has been no change in the basic proposition that, in the language of Robert Cutler, "the Council is a vehicle for a President to use in accordance with its suitability to his plans for conducting his great office." As Mr. Cutler further remarked, "a peculiar virtue of the National Security Act is its flexibility," and "each President may use the Council as he finds most suitable at a given time."¹ It is within the spirit of this doctrine that a new process of using the NSC is developing.

The specific changes which have occurred are three. First, the NSC meets less often than it did. There were 16 meetings in the first 6 months of the Kennedy administration. Much that used to flow routinely to the weekly meetings of the Council is now settled in other ways—by separate meetings with the President, by letters, by written memorandums, and at levels below that of the President. President Kennedy has preferred to call meetings of the NSC only after determining that a particular issue is ready for discussion in this particular forum.

I know you share my understanding that the National Security Council has never been and should never become the only instrument of counsel and decision available to the President in dealing with the problems of our national security. I believe this fact cannot be over-emphasized. It is not easy for me to be sure of the procedures of earlier administrations, but I have the impression that many of the great episodes of the Truman and Eisenhower administrations were not dealt with, in their most vital aspects, through the machinery of the NSC. It was not in an NSC meeting that we got into the Korean war, or made the Korean truce. The NSC was not, characteristically, the place of decision on specific major budgetary issues, which so often affect both policy and strategy. It was not the usual forum of diplomatic decision; it was not, for example, a major center of work on Berlin at any time before 1961. The National Security Council is one instrument among many; it must never be made an end in itself.

But for certain issues of great moment, the NSC is indeed valuable. President Kennedy has used it for discussion of basic national policy toward a number of countries. He has used it both for advice on particular pressing decisions and for recommendations on long-term policy. As new attitudes develop within the administration, and as

¹ Robert Cutler, "The Development of the National Security Council," *Foreign Affairs*, April 1956 ("Organizing for National Security," reprinted in "Selected Materials," committee print of the Committee on Government Operations of the Senate, GPO, 1960).

new issues arise in the world, the NSC is likely to continue as a major channel through which broad issues of national security policy come forward for Presidential decision.

Meanwhile, the President continues to meet at very frequent intervals with the Secretary of State, the Secretary of Defense, and other officials closely concerned with problems of national security. Such meetings may be as large as an NSC meeting or as small as a face-to-face discussion with a single Cabinet officer. What they have in common is that a careful record is kept, in the appropriate way, whenever a decision is reached. Where primary responsibility falls clearly to a single Department, the primary record of such decisions will usually be made through that Department. Where the issue is broader, or where the action requires continued White House attention, the decision will be recorded through the process of the National Security Council. Thus the business of the National Security staff goes well beyond what is treated in formal meetings of the National Security Council. It is our purpose, in cooperation with other Presidential staff officers, to meet the President's staff needs throughout the national security area.

The second and more significant change in the administration of the National Security Council and its subordinate agencies is the abolition by Executive Order 10920 of the Operations Coordinating Board. This change needs to be understood both for what it is and for what it is not. It is not in any sense a downgrading of the tasks of coordination and followup; neither is it an abandonment of Presidential responsibility for these tasks. It is rather a move to eliminate an instrument that does not match the style of operation and coordination of the current administration.

From the point of view of the new administration, the decisive difficulty in the OCB was that without unanimity it had no authority. No one of its eight members had authority over any other. It was never a truly Presidential instrument, and its practices were those of a group of able men attempting, at the second and third levels of Government, to keep large departments in reasonable harmony with each other. Because of good will among its members, and unusual administrative skill in its secretariat, it did much useful work; it also had weaknesses. But its most serious weakness, for the new administration, was simply that neither the President himself nor the present administration as a whole conceives of operational coordination as a task for a large committee in which no one man has authority. It was and is our belief that there is much to be done that the OCB could not do, and that the things it did do can be done as well or better in other ways.

The most important of these other ways is an increased reliance on the leadership of the Department of State. It would not be appropriate for me to describe in detail the changes which the Department of State has begun to execute in meeting the large responsibilities which fall to it under this concept of administration. It is enough if I say that the President has made it very clear that he does not want a large separate organization between him and his Secretary of State. Neither does he wish any question to arise as to the clear authority and responsibility of the Secretary of State, not only in his own Department, and not only in such large-scale related areas

as foreign aid and information policy, but also as the agent of coordination in all our major policies toward other nations.

The third change in the affairs of the NSC grows out of the first two and has a similar purpose. We have deliberately rubbed out the distinction between planning and operation which governed the administrative structure of the NSC staff in the last administration. This distinction, real enough at the extremes of the daily cable traffic and long-range assessment of future possibilities, breaks down in most of the business of decision and action. This is especially true at the level of Presidential action. Thus it seems to us best that the NSC staff, which is essentially a Presidential instrument, should be composed of men who can serve equally well in the process of planning and in that of operational followup. Already it has been made plain, in a number of cases, that the President's interests and purposes can be better served if the staff officer who keeps in daily touch with operations in a given area is also the officer who acts for the White House staff in related planning activities.

Let me turn briefly, in closing, to the role of the Presidential staff as a whole, in national security affairs. This staff is smaller than it was in the last administration, and it is more closely knit. The President uses in these areas a number of officers holding White House appointment, and a number of others holding appointments in the National Security Council staff. He also uses extensively the staff of the Bureau of the Budget. These men are all staff officers. Their job is to help the President, not to supersede or supplement any of the high officials who hold line responsibilities in the executive departments and agencies. Their task is that of all staff officers: to extend the range and enlarge the direct effectiveness of the man they serve. Heavy responsibilities for operation, for coordination, and for diplomatic relations can be and are delegated to the Department of State. Full use of all the powers of leadership can be and is expected in other departments and agencies. There remains a crushing burden of responsibility, and of sheer work, on the President himself; there remains also the steady flow of questions, of ideas, of executive energy which a strong President will give off like sparks. If his Cabinet officers are to be free to do their own work, the President's work must be done—to the extent that he cannot do it himself—by staff officers under his direct oversight. But this is, I repeat, something entirely different from the interposition of such a staff between the President and his Cabinet officers.

I hope this rather general exposition may be helpful to you. I have been conscious, in writing it, of the limits which are imposed upon me by the need to avoid classified questions, and still more by the requirement that the President's own business be treated in confidence. Within those limits I have tried to tell you clearly how we are trying to do our job.

Sincerely,

McGEORGE BUNDY.